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# USSR Report

AGRICULTURE

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3 OCTOBER 1986

USSR REPORT  
AGRICULTURE

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## LIVESTOCK

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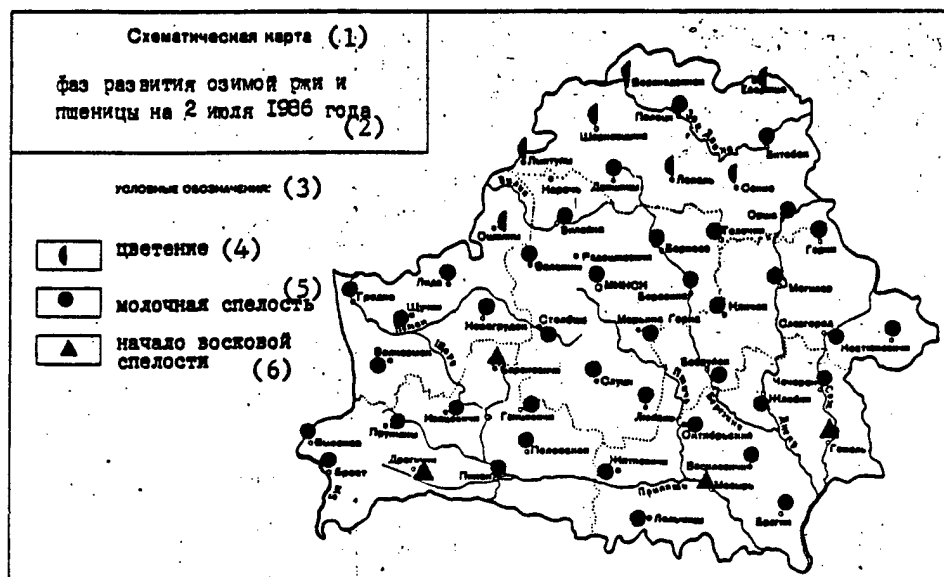
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## MAJOR CROP PROGRESS AND WEATHER REPORTING

### WEATHER CONDITIONS, CROP PROGRESS REPORTS FOR BELORUSSIAN SSR

Minsk SELSKAYA GAZETA in Russian 3 Jul 86 p 1 ; 9 Jul 86 p 1; 13 Jul 86 p 1;  
20 Jul 86 p 3; 27 Jul 86 p 1

/Weather and crop reports for 2, 8, 12, 18 and 26 July 1986/



#### Key:

- |   |                                  |
|---|----------------------------------|
| 1. Schematic map  | 4. Blossoming                    |
| 2. Developmental phases for winter rye and wheat on 2 July 1986 | 5. Milky ripeness                |
| 3. Symbols  | 6. Commencement of waxy ripeness |

Moderately warm weather with an average daily air temperature of 16-19 degrees prevails throughout the republic. The maximum air temperature is for the most part 20-25 degrees.

Just as in the past, the crops are developing ahead of the schedules established over a period of many years. In almost all areas, the winter crops are in the grain waxy ripeness stage. In some areas in Brest and Gomel oblasts, the commencement of waxy ripeness in winter rye sowings was noted occurring roughly two weeks earlier than usual and last year. Grain milky ripeness has commenced

in barley in a majority of the rayons. This year the agrometeorological situation is such that the rye and barley are expected to ripen almost simultaneously -- with an interval of not more than 5 days. The heading of panicles is being observed on the principal tracts of oats. The height of the spring crops is mainly 60-90 centimeters.

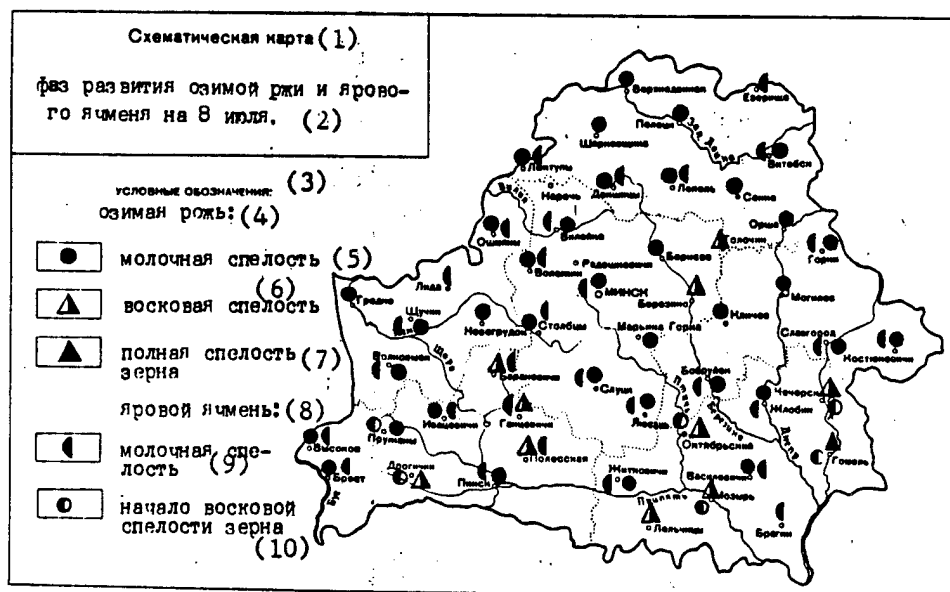
The brief periods of rainfall which occurred in late June sugmented somewhat the moisture supplies in the soil. However, for the grain crops, the supplies of productive moisture in a majority of the rayons continue to remain low -- 45-60 millimeters in the 1 meter soil layer, compared to a norm of 100-180 millimeters.

The potatoes planted in April and early May are blossoming. In the extreme southern portion of the republic, the early ripening potatoes have already finished blossoming. The sugar beet roots are continuing their growth. Flax is blossoming in all areas and in some places, in the April sowings, green ripeness in the seed has commenced 1-2 weeks earlier than usual. The height of the flax stalks is 70-95 centimeters and yet in some rayons, where during the period of intensive growth a shortage of soil moisture combined with a high air temperature was noted, the height of the sowings does not exceed 25-40 centimeters.

In the northeastern portion of the republic, on productive sowings of spring grain crops (barley and wheat), Tilt and Bayleton treatments should be carried out within the next 3-4 days against helminthosporiosis and powdery mildew. When required, preparations should be added to the fungicide for controlling greenbugs.

The potato plantings require special attention. Recent rainfall can bring about a flare-up of the phytophthora disease. Thus, during the phase of budding and commencement of blossoming, the potato sowings should be treated for prophylactic purposes with microdosages of copper, using Kuprozan (Khometsin) for this purpose.

Once the threshold number is reached (20 larvae per bush and infestation of more than 10 percent of the bushes), the potato sowings should be treated against the Colorado potato beetle.



Key:

- |  |  |
|--|--|
| 1. Schematic map   | 6. Waxy ripeness                           |
| 2. Developmental phases for winter rye and spring barley on 8 July | 7. Full ripeness of grain                  |
| 3. Symbols:  | 8. Spring barley:                          |
| 4. Winter rye:   | 9. Milky ripeness                          |
| 5. Milky ripeness  | 10. Commencement of waxy ripeness in grain |

The month of July so far has been characterized by a predominance of hot dry weather. The average daily air temperature has exceeded the norm by 4-6 degrees, with the maximum temperature reaching 30-34 degrees. The relative humidity during the daytime fell to 30 percent and less.

The hot weather accelerated the ripening of the grain crops. In a number of rayons in the southeastern half of the republic, grain waxy ripeness commenced in the winter rye 1-2 weeks earlier than usual. Grain milky ripeness is being observed on the principal spring crop tracts. Waxy ripeness has already commenced in individual rayons in Gomel Oblast and in some areas in Brest Oblast. This is roughly 10-15 days earlier than last year. The potatoes are blossoming in almost all areas and in the extreme south they have finished blossoming. The high daytime air temperatures were unfavorable for tuber formation. Green ripeness in the seed has been noted in flax sown in April and early May. On the corn sowings, 11-13 leaves have formed and in some areas in the southeast the heading of panicles is being observed.

The temperature regime favored growth in the heat-loving vegetable crops and yet the plants required irrigation for normal development.

Given the existing weather situation, it was recommended that the following agrotechnical and organizational measures be carried out:

-- immediately include all sprinkling equipment in the work and provide watering using a full norm (300-350 cubic meters per hectare). As a rule, the watering should be carried out at night and during the morning and evening hours;

-- the watering of vegetable crops, food roots or other row crops should be carried out immediately following loosening of the inter-row spaces;

-- for watering vegetable crops, berry patches and fruit plantings, use should be made of the available motor vehicle and tractor containers of the RZh type and other items of equipment and also manual watering;

-- row crops (corn food roots and others) should ideally be given a top dressing of liquid organic fertilizers;

-- the sowings of vegetable crops, food roots, sugar beets and corn on coherent soils, where a continuous crust has formed, should be loosened using chisel-shaped implements;

-- additional measures should be employed on an urgent basis aimed at removing weeds from crop areas, particularly areas being used for vegetable crops, food roots and sugar beets;

-- with the onset of favorable conditions, sowings which were destroyed or burned out should ideally be resown using feed mixtures (cruciferae family, pulse, corn, sunflowers). These crops should be sown on the maximum possible areas in the interest of augmenting the supplies of fodder;

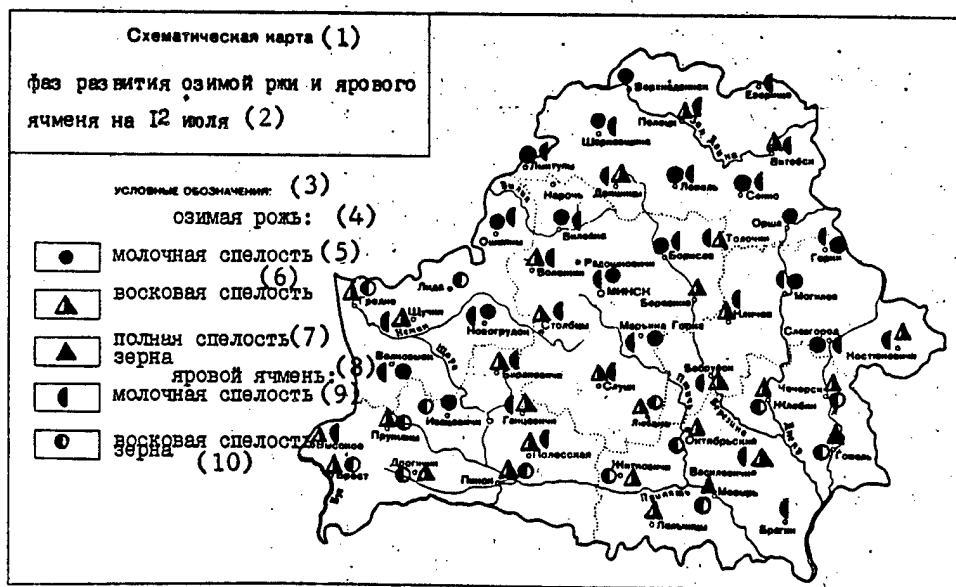
-- crop inspections should be carried out on each farm, the best tracts should be singled out and they should be harvested for seed purposes. The sowings of promising and deficit varieties, regardless of their condition, should be harvested for seed purposes;

-- the ripening process in the grain crops should be monitored on a daily basis and areas which suffered from drought conditions should be harvested using the selective method;

-- an advance grain and seed balance should be established for each rayon and farm and, when necessary, changes should be introduced into the plans for using the grain;

-- when preparing tracts for the sowing of winter crops, only minimal working of the soil should be carried out. In the interest of reducing moisture evaporation immediately following the grain crop harvest, the stubble should be removed and the perennial grass beds should be prepared using heavy disk harrows;

-- systematic observation should be established over the development and accumulation of potato, vegetable and fruit and berry crop pests and diseases and, when required, an active campaign should be waged against them.



Key:

- |   |                            |
|---|----------------------------|
| 1. Schematic map  | 5. Milky ripeness          |
| 2. Developmental phases for winter rye and spring barley on 12 July | 6. Waxy ripeness           |
| 3. Symbols:   | 7. Full ripeness of grain  |
| 4. Winter rye   | 8. Spring barley           |
|   | 9. Milky ripeness          |
|   | 10. Waxy ripeness of grain |

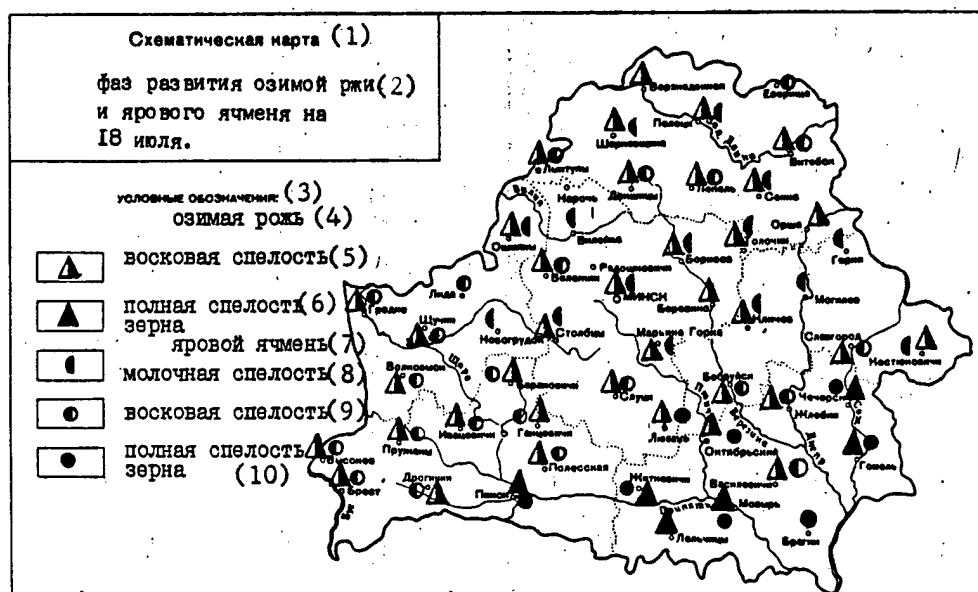


Following very hot and dry weather during the early part of July, the republic is now experiencing a cold snap. The average daily air temperature is 12-15 degrees (3-6 degrees lower than usual) with the maximum not exceeding 15-20 degrees. Rain has fallen in all areas, with strong rainfall being experienced in some places.

Waxy grain ripeness is being observed in winter rye sowings in a majority of the republic's rayons and the commencement of complete ripeness has been noted in the extreme southeastern portion of Gomel Oblast. Waxy grain ripeness has also commenced in spring barley in almost all areas in Gomel Oblast and in a number of rayons in Brest and in some areas in Grodno and Minsk oblasts. Milky ripeness is being observed in the spring crops in the remaining territory. Tuber formation continues in the potatoes -- an average of 10-15 tubers has formed per bush. The root crops are increasing in size on the sugar beet sowings.

Recent rainfall has augmented considerably the supplies of productive moisture in the soil. Improvements have been noted in the agrometeorological conditions required for growth in the potatoes and root crops and for the development of a second grass cutting.

According to data supplied by the seed control service, the moisture content of the grain continues to remain high. It is only on burnt out tracts consisting of light-textured soils that the moisture content is on the order of 30 percent. So as not to overlook the optimum periods for commencing the harvest work, the farm agronomists must monitor the course of the grain ripening process on a daily basis and they must organize selective harvesting without waiting for the tracts to ripen completely. During the days remaining prior to the commencement of the mass harvesting work, mowing must be carried out around the seed sowings, the reliability of the harvesting equipment and drying-cleaning complex should be checked while in operation and the weighing economy must be made ready for operations.



Key:

1. Schematic map
2. Developmental phases for winter rye and spring barley on 18 July
3. Symbols
4. Winter rye:
5. Waxy ripeness
6. Full ripeness of grain
7. Spring barley:
8. Milky ripeness
9. Waxy ripeness
10. Full ripeness of grain

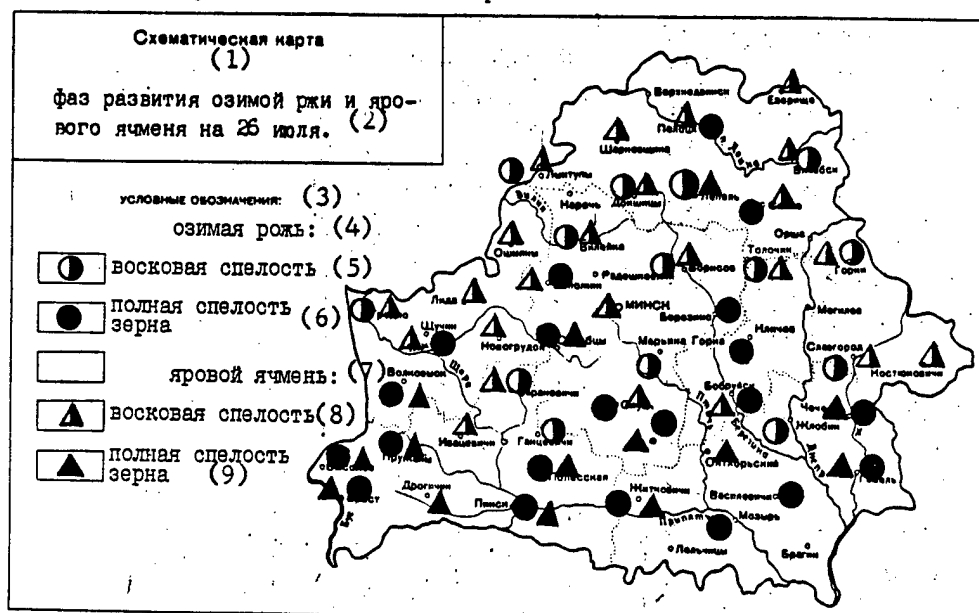
Following abundant rainfall and cold weather, it again turned warm in the Belorussian SSR. The air temperature during the day rose to 20-25 and in the south -- to 28 degrees, with the average daily temperature being 16-20 degrees.

A period of tense work -- harvesting the grain and flax crops -- is now at hand in the republic. In almost all areas, the winter grain crops have ripened for two-stage harvesting. Waxy grain ripeness is being observed on barley sowings in a majority of the rayons in the southern half and in some areas in the northern half of the republic. Complete grain ripeness is at hand for rye and barley in a number of rayons in Gomel and in the southern portions of Brest and Minsk oblasts and in some rayons the grain moisture content has dropped to 20-25 percent. The principal tracts of oats and spring wheat are in the milky ripeness phase. Waxy ripeness has also been observed in these crops in the extreme southern portion of the republic.

Taking into account the intensive loss in moisture and the ripening of the grain, the condition of the crops should be monitored in all areas and every attempt should be made to ensure that they are harvested during the best periods as they become ripe.

Early-yellow flax ripeness is at hand in the southern rayons and in early flax sowings -- yellow ripeness.

Warm weather is favoring the growth and development of the corn and vegetables. Leaf formation continues in the corn sowings. At the present time, there are 13-15 leaves and in a number of rayons the heading and blossoming of panicles is being observed. An improvement has taken place in the conditions required for the formation of the potato and root crop harvests.



Key:

- |  |                           |
|--|---------------------------|
| 1. Schematic map   | 5. Waxy ripeness          |
| 2. Developmental phases for winter rye and spring wheat on 26 July | 6. Full ripeness of grain |
| 3. Symbols:  | 7. Spring barley          |
| 4. Winter rye  | 8. Waxy ripeness          |
|  | 9. Full ripeness of grain |

During the past week, unstable weather predominated throughout the republic. Rain fell in all areas, with thunderstorms occurring in some places. The average temperature over the past few days was 16-20 degrees and this was close to the norm. The nights were for the most part warm -- 10-14 degrees.

The grain crops in a majority of the republic's central rayons were fully ripe and in the northeastern rayons -- waxy grain ripeness. This year the ripening of the winter and early grain crops is taking place simultaneously. The moisture content of the grain in the southern part of the republic is 16-28 and on the principal tracts in Vitebsk, Mogilev and Minsk oblasts -- 33-40 percent. Irregular ripening of the grain is being observed on tracts characterized by light-textured or mechanical composition soils, where the formation of the grain took place under conditions involving a shortage of moisture and high air temperatures. The heterogeneous nature and thinness of stands of the grain and pulse crops in a number of areas, the varying degrees of their lodging, the irregular ripening and the variations in grain weight call for a specific approach when selecting the harvesting method and they require special equipping and technical adjusting of the harvesting machines.

The blossoming of late ripening varieties of potatoes is coming to an end. The growth and formation of the tubers is in progress. The rain which fell in a majority of rayons throughout the republic improved the conditions for the formation of the crop. On the average, 13-17 tubers formed per bush. Early yellow ripening has been observed in flax plantings which were sown in April and during the first 10 days in May. The heading of panicles is being observed in the corn in a number of rayons. Growth in the sugar beet roots is continuing. The cereal grasses and clover are sprouting following the first cutting. Over a considerable portion of the republic's territory, where the supplies of productive moisture in the 1-meter soil layer are 40-90 millimeters, the conditions for the formation of a second cutting crop are satisfactory. The unstable nature of the weather is adversely affecting the growth and development of the vegetable crops. The cucumbers are blossoming in all areas and flesh-colored ripeness has been observed in the tomatoes in the southern part of the republic.

7026

CSO: 1844/407

## LIVESTOCK FEED PROCUREMENT

### NONCHERNOZEM ZONE FEED PROCUREMENT LOW, QUALITY POOR

Moscow SELSKAYA ZHIZN in Russian 8 Aug 86 p 1

/Article by M. Glinka, zootechnician: "What Feed Supplies Are Available in the Nonchernozem Zone?"

/Excerpts/ Agricultural review. According to a report issued by the USSR TsSU /Central Statistical Administration/, by 4 August the country's kolkhozes, sovkhoses and inter-farm enterprises had procured succulent and coarse feeds the overall nutritional value of which amounted to 56.4 million tons of feed units -- this was 41 percent of the amount planned. Roughly 6.54 quintals of feed units were procured per standard head of livestock. In the Russian Federation, 28.8 million tons of feed units were procured -- 40.5 percent of the planned amount and 6.5 quintals per head; in the nonchernozem zone, 9.7 million tons were procured -- 46 percent and 7.5 quintals.

A complicated situation has developed out on the fields and meadows in the nonchernozem zone. The grain crops have ripened considerably earlier than usual and this year they promise to provide a good harvest; feed procurement operations are continuing and other types of urgent work are being attended to. Under these conditions, a requirement exists for a high level of organizational ability and for the utilization of all available human and technical reserves. This will make it possible to carry out the work completely and at a high level. And one of the most important considerations is that of creating a strong forage supply.

The production of livestock products has declined in recent years in Pskov, Kalinin, Kaluga and Smolensk oblasts. Many oblasts in the nonchernozem zone, where livestock husbandry serves as a leading branch of agricultural production, are not fulfilling their plans for selling milk and meat to the state. The productivity of the farms is not very high and during the first 6 months there was a decrease in the milk yields obtained in the Karelian ASSR and in Pskov, Bryansk, Kostroma and Tula oblasts. In the Komi ASSR, there was also a decline in the weight increases in cattle and hogs. The situation is improving only slowly in a number of other oblasts. The chief reason for this -- a weak feed base.

How is it possible to realize a high productivity when at many of the farms here the amount of feed annually made available for the livestock is 30-40 and at times 50 percent less than the minimum amount required by the zootechnical

norms? Since ancient times the nonchernozem zone has been praised as a cattle husbandry region. Many excellent strains of cattle and swine are bred here. The genetic potential productivity already achieved at the present time is making it possible for the farms, using existing facilities and the personnel presently available, to increase their production of milk and meat by a factor of 1.5. But the livestock are still being maintained on a half-starving basis, with the principal feed being straw. Meanwhile the chief efforts of local leaders are being directed not towards improving feed production but rather to searching for forage on the side. There seems to be no point for waiting for substantial changes to occur. It is a known fact that successful wintering operations require that there be not less than 20 quintals of feed units of coarse and succulent feed per standard head of cattle prior to the beginning of the indoor maintenance period. The plans call for just such a forage supply to be created this year in the Mari ASSR and in Leningrad and Moscow oblasts. Farms in Kalinin and Kaluga oblasts are striving to obtain 14-15 quintals of feed units per head of cattle.

But even these miserly plans are not being carried out. In the Komi ASSR, for example, they are still procuring only 4.5 quintals of feed units per head of cattle, in Ryazan Oblast -- 4.3 and in the Mordovian autonomous republic -- 4.1 quintals. This is the result of poor organization in the procurement of feed. On many farms, they waited for the grasses to "grow some more" and thus they commenced their haying operations 7-10 days later than the optimum periods and in Pskov Oblast these operations were delayed almost a month. The haying rates are unacceptably low. As yet, the first cutting of 24 percent of the grasses allocated for hay and haylage in Novgorod Oblast has still not been completed. Many grasses are still standing in Kostroma Oblast. Since the beginning of the grain harvest work, feed procurement work has generally ceased in a number of areas. What are the plans here for carrying out a most important task -- ensuring that the livestock are fully supplied with internally produced feed?

The quality of the forage being procured continues to remain low. In Kostroma Oblast, for example, more than one half of the hay and artificially dehydrated feed procured turned out to be of 3d class quality or of sub-standard grade, haylage -- more than one third and silage bulk -- approximately 40 percent. Last year's history may be repeated here -- the feed placed in storage seemed to be enough and yet the productivity of the public herd fluctuated downwards -- there was a shortage of energy, carotene and protein in the rations. Recently, the results of a feed procurement competition in Pskov Oblast were summarized. A mechanized detachment for hay procurement at the Vyshgorodskiy Sovkhoz was added to the Board of Honor. Against a plan calling for 1,140 tons, it had procured 1,318 tons of feed. On this same day, a report was received from the oblast's agrochemical laboratory: 267 tons of the farm's hay had been classified as being of sub-standard quality. Considerable amounts of sub-standard feed have been placed in storage in Kalinin, Ivanovo and Novgorod oblasts. Only 42 percent of the hay placed in storage in Smolensk Oblast was of 1st class quality.

Local leaders usually cite poor weather as the reason for the above. Truly, nature does not always indulge the farmers. But why does waste occur in the case of grass meal, the production of which is not dependent upon the weather? In the Mari ASSR, for example, one fifth of the artificially dehydrated feed was evaluated as being of 3d class or sub-standard quality. Certainly, the weather was not guilty in this instance. Quite often, there is another

reason -- the feed procurement technology is primitive and is not observed, weak control over the quality of the feed and, most important, emphasis is placed upon gross results, tons and kilograms to the detriment of feed units, protein and carotene. Thus, haylage is being placed in trenches, the moisture content of which exceeds that of silage and use continues to be made of the Mikhaylov hay procurement technology, despite the fact that bulk having a moisture content of 25-30 or more percent can be classified as hay. In Arkhangelsk Oblast, one out of every five tons of haylage is classified as sub-standard owing to a raised moisture content. Insufficient use is being made of chemical preservatives, despite the fact that this method makes it possible to obtain high quality feed under extremely complicated weather conditions. In Vologda Oblast, for example, of 1,400,000 tons of silage bulk placed in storage, only 112,000 tons (8 percent) had been treated with preservatives, in Bryansk Oblast -- 5 and in Perm Oblast -- 7 percent. Meanwhile, it is precisely the low quality of the succulent and coarse feeds, in addition to shortages in these materials, that forces many farms to increase excessively the proportions of grain preservatives in the rations. In the Komi and Mordovian autonomous republics and in Kirov Oblast, 400-450 grams of concentrates are being consumed per kilogram of milk.

The lag in feed procurement operations, similar to litmus paper, reveals the operational style and method employed by rayon and oblast leaders. Quite often the discussions concerning an acceleration or reorganization of operations tend to conceal a lack of desire or inability to utilize new methods or to reorganize the work. The RAPO /rayon agroindustrial association/ leaders and specialists are not mastering the situation, they are exercising poor control over the course and quality of the work and they are unable to administer the course of production. It comes as no surprise to learn that one third of the hay procured in Savinskiy Rayon was hopelessly spoiled. Warm offices instead of fields and meadows continue to be the work areas for many specialists attached to the Kostroma Oblast agroprom. Here active organizational work is subordinated to speechifying and red tape. At the same time, inability to organize the work is at times subordinated to unnecessary rigidity. During the first 6 months, the chairman of the Starorusskiy RAPO in Novgorod Oblast handed down punishments to 14 of 18 farm leaders. This was of little help. Numerous measures are being employed for specific problems in the Chuvash ASSR. In Yaroslavl Oblast, surplus hay is being purchased from the population in an attempt to correct the situation. But where are the surplus materials to come from if the feed procurement plan is fulfilled by only 79 percent?

In any oblast in the nonchernozem zone there are farms which serve as models for skillful organization of feed procurement work. But unfortunately they do not make the weather. As is known, the state allocates considerable resources for developing the farms in this zone. As yet, the return from them is unjustifiably low. No amount of capital investment can replace good organizational ability or conscientiousness and these are the qualities which some specialists and leaders are lacking at the present time.

7026  
CSO: 1824/443

# LIVESTOCK

## OBLAST AND RAYON INDICATORS FOR MILK PRODUCTION AND MEAT SALES IN BELORUSSIAN KOLKHOZES AND SOVKHOZES, 1 JULY 1986

Minsk SELSKAYA GAZETA in Russian 2 Aug 86 p 2

[Excerpts] Table 1

	Milk Production per 100 hectares of agricultural land (quintals)	Percent of estimated level accounting for resources	Percent of 1985	Yield per cow		Percent of plan fulfillment for first half year milk procurement by all farm categories
				Kilograms	Increase or de- crease in comparison with 1985	
OBLASTS						
Minsk	343.9	106.3	110	1,429	143	108
Brest	313.5	105.7	109	1,475	125	109
Gomel	298.2	102.7	108	1,379	116	108
Grodno	280.3	87.3	105	1,526	80	104
Vitebsk	239.6	82.7	105	1,268	92	104
Mogilev	232.9	81.1	105	1,286	112	102
TOTAL FOR						
BSSR	285.7	--	108	1,391	116	106

Table 2

	Meat sold per 100 hectares of agricultural land (quintals)	Percent of estimated level accounting for resources	In percent of past year	Average daily weight gain (in grams)		Average delivered weight of one head of cattle (kilograms)	Percent of plan fulfillment of first half year meat procurement by all farm categories
				Cattle	Hogs		
OBLASTS							
Grodno	111.9	103.5	104	449	399	426	104
Brest	91.2	90.2	111	451	417	417	120
Gomel	76.7	83.0	118	413	369	401	116
Minsk	86.7	82.8	107	423	354	414	107
Vitebsk	59.1	67.3	112	369	320	418	112
Mogilev	50.7	58.0	110	390	312	403	113
TOTAL FOR							
BSSR	78.1	--	110	416	362	414	111

/8309

CSO: 1824/450



## AGRO-ECONOMICS AND ORGANIZATION

### UKRAINIAN APK TERRITORIAL ORGANIZATION DETAILED

Kiev EKONOMIKA SOVETSKOY UKRAINY in Russian No 6, Jun 86 pp 3-13

[Article by M. Palamarchuk, academician of the UkSSR Academy of Sciences, and S. Malyuk, candidate of geographical sciences: "Territorial Organization of Ukrainian SSR APK and Its Improvement in the Light of Decisions of the 27th CPSU Congress"]

[Text] An acceleration of our country's social and economic development is inseparably connected with an improvement in the organization of all spheres of social activity and, especially, the economy. The new edition of the CPSU Program states the following: "A transition to an economy of supreme organization and efficiency with comprehensively developed productive forces and production relations and a well-adjusted economic mechanism should be ensured." The political report by the CPSU Central Committee to the 27th party congress points out that intensification of the territorial approach in planning and management is an important feature of the reorganization of the economic mechanism.

The vast scale of the country's national economy and the complication of intersectorial and regional relations demand that we upgrade the organizational structures of production and management even more persistently and improve the combination of sectorial and territorial principles of management. At the 27th CPSU Congress the report by N. I. Ryzhkov, chairman of the USSR Council of Ministers, noted that "...the underestimate of the significance of the role of organizational structures in an increase in the efficiency of management was a major shortcoming in work on improving management in the recent past." Congress decisions set the task of "giving management modern organizational structures with due regard for the tendencies toward the concentration, specialization, and cooperation of production and the development of complexes of interconnected sectors and territorial-production and other intersectorial formations."

For the purpose of accelerating social and economic development a structural reorganization of the entire national economy will be carried out. Intensification of the orientation toward a fuller satisfaction of the diverse and constantly increasing needs of the Soviet people is its important direction. This will be manifested specifically in an accelerated development of sectors producing food products and nonfoodstuffs. In particular, there is

a need for a decisive shift in APK development with a view to seriously improving the food supply for the population.

The CPSU pays special attention to the intensification of all sectors forming part of the APK and to an improvement in its management as a single whole. The 27th party congress defined the basic tasks of the agroindustrial complex: To attain a stable growth of agricultural production, to reliably provide the country with food products and agricultural raw materials, and to combine the efforts of all its sectors for obtaining high final results in accordance with the USSR Food Program. Organizational and economic measures aimed at the management and financing of the agroindustrial complex as a single whole at all levels will be implemented. This creates conditions for the integration of agriculture with other national economic sectors in a single APK. It is necessary to more actively develop direct relations of kolkhozes and sovkhoses with enterprises of the processing industry, trade, and public dining. The organizational reconstruction of the management of the agroindustrial complex will have to be completed and all the prerequisites necessary for a significant intensification of economic methods of management will have to be created during the shortest period.

The Ukrainian APK is an important and integral part of the USSR APK. Its structure and specialization are formed in an inseparable connection with the development of the country's entire national economic complex. The accumulated production and economic potential and, on the whole, the republic's natural conditions favorable for agriculture determine the important role of its APK in the fulfillment of the USSR Food Program. It faces the task of stably providing food for the Ukrainian SSR population of more than 50 million and of increasing its contribution to the all-Union stock for such important types of agricultural products as grain, sugar, vegetable oil, vegetables, fruits, meat, butter, and so forth.

In accordance with the tasks set by the 27th CPSU Congress there is an increased urgency of improvement in APK territorial organization on the scale of the republic and its oblasts and natural-economic zones. After all, the establishment of a scientifically substantiated territorial organization is inseparably connected with the attainment of a new organizational and economic level of the entire national economy.

In generalized form APK territorial organization can be defined as its systems organization from a territorial aspect and as a form of public organization of the production facilities of this complex, which synthesizes all others (concentration, specialization, combination, and distribution). Efficient territorial organization is possible on the basis of a planned formation of production-territorial systems of various types in the agroindustrial sphere of the economy. These systems appear as the basic means of an integrated development of all APK sectors on a certain territory and contribute to the coordination of the production facilities of this complex with the utilization of its resources, that is, natural, labor, material, and so forth.

V. I. Lenin considered the problem of distribution of productive forces and their territorial organization in an inseparable connection with the maximum possible increase in the productivity of national labor (1). As the classics

of Marxism-Leninism pointed out, the distribution and territorial organization of production objectively depend on the characteristics of the social and economic formation and the operation of its economic laws. The basic economic law of socialism, the law of time saving, the law of the planned, proportionate development of the national economy, and the law of labor productivity growth are of special importance for APK territorial organization. It should also be based on the patterns of agroindustrial complex formation. Long-term investigations of the processes of APK formation at the UkSSR Academy of Sciences made it possible to uncover their basic patterns (2).

The concept of acceleration of the country's economic and social development also places fundamentally new demands on APK territorial organization. First of all, it should be intensive, that is, directed toward an efficient utilization of natural resources and of the accumulated production and economic potential and contribute in the maximum possible way to an extensive introduction of the achievements of scientific and technical progress into production practice, to an increase in the productivity of national labor, and to an efficient fulfillment of all social and economic tasks.

At the present stage of economic development the urgency of problems concerning APK territorial organization increases. Production intensification in a broad sense is not possible without an increase in the efficiency of its organization, in particular territorial organization. In essence, improvement in production organization represents one of the major directions in its intensification.

The economic and social significance of APK territorial organization intensifies in connection with the policy of acceleration of scientific and technical progress adopted by the CPSU, because it has a big effect on its dynamic nature. In particular, when regional systems of agricultural management are introduced, an ever clearer zonal differentiation of farming, animal husbandry, and machine systems is manifested. This, in turn, contributes to a rise in the level of concentration of the production of various types of raw materials and to an improvement in the organization of raw material zones of processing enterprises. An expansion of the areas of cultivation of many agricultural crops as a result of an improvement in its technology and agricultural techniques, introduction of the achievements of selection, and increase in the efficiency of reclamation work also plays an important role. Overall mechanization, which makes it possible to lower the labor intensiveness of agricultural production, increases the possibility of accelerating the development of a number of its sectors in places with natural conditions favorable for this, but with insufficient labor resources.

An increase in the capacities of processing enterprises on the basis of the introduction of modern, highly productive equipment requires a more efficient organization of raw material zones, a rise in the level of concentration of the production of raw materials and in the regularity of their deliveries, and so forth. At the same time, there is a rise in the role of territorial relations in the cooperation of processing enterprises of various industrial sectors in connection with an expansion of the participation of one enterprise in the production of the final product of another, activation of their joint

utilization of the infrastructure, separation of some stages in the processing of raw materials in the form of individual enterprises, and so forth. As a result of the improvement in the organization of the transportation and technology of raw material processing, traditional characteristics of the siting of processing enterprises are changing. It is more efficient to site some of these enterprises, which previously were oriented in their siting toward places of consumption of their final products, at places of raw material production for the purpose of ensuring a better preservation and regularity of their deliveries to processing enterprises. As a result of scientific and technical progress, the assortment of products is expanding and new production facilities for waste utilization and for servicing basic production processes are being established. Stage-by-stage production specialization is developing.

Such an effect of scientific and technical progress causes a complication of the structure of production-territorial systems and their combination. Scientific and technical progress in production development should be supplemented by progress both in its public organization and in its management. In turn, improved organization and management create additional opportunities for an extensive application and increase in the efficiency of utilization of the achievements of scientific and technical progress.

Territorial organization is an important means of streamlining nature use. A close connection between nature use and APK territorial organization is manifested primarily in the fact that basic elements of the territorial structure of this complex are largely determined by the territorial differentiation of natural resources. Therefore, a formation of the territorial structure of the APK of the country and regions, which would make it possible to maximally utilize the natural resource potential of the appropriate territory on the basis of an all-Union division of labor, should be the most important direction in an efficient utilization of natural resources.

The complexity of APK territorial organization and management is connected primarily with the fact that the same agricultural enterprises, even with their efficient specialization, produce a number of products. The system of agricultural management requires certain combinations of production facilities often closely depending on each other (for example, the production of sugar beets-cattle breeding). Usually, the same agricultural enterprises are connected with several processing enterprises, supplying them with raw materials (some, with plant raw materials, others, with meat, still others, with milk, and so forth). Therefore, a direct unification of kolkhozes and sovkhozes with processing enterprises is not advisable. In the process of agroindustrial integration specialized APK are formed in different-rank regions (in many works they are called agroindustrial or product subcomplexes). The specialized complex includes the production and processing of specific types of agricultural products, as well as appropriate service and auxiliary production facilities for narrowly specific purposes. Grain-industrial, beet-sugar, fruit-vegetable-industrial, oil extracting-fat, and flax-industrial complexes, which in their totality form plant growing-industrial complexes, are the most important specialized complexes in the Ukraine. Animal husbandry-industrial territorial complexes--meat-industrial,

dairy-industrial, and poultry-industrial--form their second group. The formation of every specialized complex is based on a series of production facilities representing the totality of production stages--from obtaining raw materials to producing the finished product.

The Ukrainian SSR APK is a very complex production-territorial formation. In connection with this the problems of its territorial organization can be solved efficiently only through the combination of its functional and regional aspects. Let us examine the most important specialized complexes of our republic and the characteristics and problems of their territorial organization (3).

The grain-industrial complex is the most important link of the APK of the country and the Ukrainian SSR. A stable increase in grain production constitutes the key problem of agricultural development. The grain-industrial complex includes the production of grain and pulse crops, procurement and processing of grain, and sale of final products. The tasks of this complex are to meet the republic's needs for flour, groats, bread and flour products, feed grain, and mixed feed, as well as to increase its contribution to the all-Union stock.

Basic Directions in the Economic and Social Development of the USSR for 1986-1990 and for the Period Until the Year 2000 set the task of increasing grain production in the republic to 52 or 54 million tons in 1990. It is also necessary to attain a stable growth of the production and purchases of wheat of durum and strong varieties, groat crops, and beans and to create zones of guaranteed corn grain production in regions favorable for its cultivation. For this it is necessary to improve the placement of grain crops throughout the UkrSSR territory, that is, to intensify the specialization of leading grain producing regions having natural conditions favorable for this and to develop grain farming for local needs in other regions.

The fulfillment of tasks concerning an increase in the volumes of grain production requires its systematic intensification, that is, introduction of scientifically substantiated farming systems, improvement in the growing of seeds of grain crops, extensive introduction of intensive technologies of their cultivation, and creation of zones of guaranteed grain (and, especially, corn) production on irrigated land.

Production-territorial systems different in their structure, types of relations, and functioning have been formed in the republic's grain-industrial complex. Agricultural procurement and processing enterprises (grain receiving, milling, groats, mixed feed, corn grading, and other enterprises) appear as elements of such systems. It should be noted that until recently the formation of territorial systems of enterprises in the grain-industrial complex occurred without sufficient scientific substantiations. In-depth research is not conducted in this direction, owing to which there are many cross and other inefficient hauls of grain and its processing products and their substantial losses.

The siting of different types of grain receiving enterprises of the necessary capacity in accordance with grain resources plays an important role. It is advisable to increase the capacities of grain elevators, primarily in southern oblasts (Nikolayev, Kherson, and so forth). When calculating the needs for capacities of grain storage facilities, it is not enough to be oriented toward average annual volumes of grain procurement. It is also necessary to take into account years with the maximum yield of grain crops, carryover reserves, and the storage of high-grade seeds, as well as the volumes of grain of kolkhozes and sovkhozes, which can be exchanged for mixed feed. In connection with the establishment of the UkSSR Gosagroprom and the UkSSR Ministry of Grain Products it is necessary to coordinate the development and placement of the mixed feed industry, whose enterprises exist in both departments. It is also advisable to work out interdepartmental schemes of development and placement of the mixed feed industry for every oblast.

Production-territorial systems in the growing of grain crop seeds, which include specialized seed growing farms, enterprises for industrial seed processing, and farms producing commodity grain, play an important role in the territorial organization of the republic's grain-industrial complex. The streamlining of these systems forms a substantial reserve of production intensification in the sector. Thus, the following should be the basic directions in the improvement in the territorial organization of the grain-industrial complex: streamlining and siting of enterprises for grain procurement and processing, optimization of interregional and regional freight flows of grain and its processing products, and on this basis formation of scientifically substantiated production-territorial systems.

The Ukraine's sugar beet complex is of great all-Union importance. It accounts for 60 percent of the sugar production in the USSR. At the same time, about one-half of it is transported beyond the boundaries of the republic. In 1990 the production of sugar beets is to be increased to 53 or 55 million tons. The task of obtaining the entire increase in their gross output by raising the average yield of this crop to 315 or 325 quintals per hectare was set (4).

The technical retooling of many sugar plants (especially in Vinnitsa, Cherkassy, Kiev, and Khmel'nitskiy oblasts), as well as the construction of new enterprises for the purpose of shortening the length of the season of raw beet materials, is one of the major problems in the long-term development of the republic's beet-sugar complex. Concentration of beet planting and sugar plants in the forest-steppe and in regions of the northern steppe adjacent to it is a characteristic feature of the territorial organization of this complex. Thus, a vast zone specializing in beet-sugar production has been formed. Within it there are significant differences in natural and economic conditions, which should be taken into account during the improvement in the territorial organization of this complex. These differences affect the degree of concentration of sugar beet crops, the efficient sizes of sugar plants, and, of course, the sizes and configuration of raw material zones. Usually, beet-sugar territorial systems (sugar plants and their raw material zones) include beet producing farms from several administrative rayons. This complicates the territorial organization of this complex and, in particular,

generates a need to have, apart from centers near plants, a network of additional beet procurement centers.

The following are the basic directions in the intensification of beet-sugar production: increase in the yield of beets, improvement in the quality of raw beet materials (and especially in their sugar content), reduction in their losses during procurement and processing, and maximum possible reduction in material and labor expenditures at all production stages. At the same time, scientific and technical progress is of decisive importance.

To improve the territorial organization of the complex under consideration, it is necessary to eliminate the disproportions between the scale of production of raw beet materials and the capacities of sugar plants, which occur in a number of territorial systems, and to attain a correspondence between the sizes of processing enterprises and the level of territorial concentration of the production of these raw materials. The solution of this problem will make it possible to streamline the placement of beet crops and raw material zones. It is necessary to continue the concentration of their crops on land most suitable for beets and, if possible, to bring them closer to sugar plants. The introduction of advanced methods of transportation of raw beet materials and the expansion of the network of hard-surface roads create conditions for the liquidation of some provincial beet procurement centers. When improving the territorial organization of the beet-sugar complex, it is also necessary to take into account the advisability of combination of sugar plants with waste utilization enterprises (mixed feed, cattle fattening, and so forth).

The UkSSR fruit-vegetable-industrial complex is of all-Union importance and plays an important role in our republic's food complex. About 30 percent of the Union volume of vegetables, 36 percent of the fruits and berries, and more than 27 percent of the canned fruits and vegetables are produced in the Ukraine. About one-third of the output of this complex enters the all-Union stock (5). The raw material link of this complex is represented by two sectors of agriculture--vegetable growing and horticulture. The overwhelming majority of agricultural enterprises in all the republic's soil and climatic zones are engaged in vegetable growing: On farms, depending on the degree of their specialization in vegetable growing, from 1-2 to 20 percent of all their sown areas are occupied by vegetables.

The concentration of vegetable crops in zones of big cities and industrial regions, where vegetable growing is concentrated on more than 400 specialized sovkhozes, which provide more than one-half of the state purchases of vegetables and, basically, meet the needs of the urban population for them, is one of the important tendencies in the development of vegetable growing in the Ukrainian SSR. The production of sheltered-ground vegetables acquires ever greater importance (especially in suburban zones). In the future it is advisable to concentrate the planting of vegetable crops on irrigated land to a greater extent.

A comparatively wide assortment of vegetables is grown in the UkSSR: in the Polesye zone--primarily moisture-loving vegetable crops less demanding on heat (cucumbers, carrots, table beets, and cabbage); in the forest-steppe zone, more heat-loving vegetable crops (cucumbers and tomatoes); in the steppe zone,

in addition to tomatoes, the most heat-loving crops (onions, eggplants, and peppers). Subsequently, this specialization existing in vegetable production should be intensified. It is advisable to concentrate the growing of cucumbers and onions more in the steppe zone and of cabbage, in the Polesye zone.

A definite territorial specialization in horticulture has been formed in the republic. In particular, the growing of cherries, apricots, and peaches is concentrated primarily in the Crimea, the Transcarpathian region, the southern steppe, and the Dnestr area; of apples and berries, in the Polesye zone; of apples and pears of winter varieties, in the Transcarpathian region and the Crimea. The production of cherries is characterized by a general spread, but its biggest concentration takes place in the forest-steppe zone.

In 1990 the production of vegetables in the Ukrainian SSR is to be increased to 8.6 million tons, of fruits and berries, to 4.5 million tons, and of grapes, to 1.3 million tons.

Improvement in the territorial organization of the fruit-vegetable-industrial complex, which has great potentials, should play an important role in an acceleration of its development and intensification. It is necessary to streamline the structure of this complex and to attain proportionality in the development of its raw material base, the processing industry, and auxiliary and service production facilities. It is also necessary to determine the correlation of the directions of the purposeful utilization of fruit and vegetable products (consumption and processing on the spot and delivery beyond the boundaries of a region). Such correlations should be established for oblasts, administrative rayons, and individual farms. Appropriate measures should be coordinated with the formation of efficient raw material zones for processing enterprises. It is necessary to especially take into account the need for reorientation in the utilization of fruits and berries in connection with the suspension of the production of fruit and berry wines, as well as to efficiently utilize the production capacities released in the process.

Intensification of zonal specialization in vegetable growing, horticulture, and the processing industry is an important problem of the territorial organization of this complex. The formation of specialized fruit-vegetable-industrial regions (especially in the republic's steppe zone) will contribute to an improvement in the efficiency of production and in the quality of final products of this complex and to a better satisfaction of republic and all-Union needs for them. It is advisable to intensify the interregional significance of fruit-vegetable complexes in Odessa, Nikolayev, and Kherson oblasts. Special enterprises, whose basic type of activity should be the sorting, repackaging, and packaging of vegetables and fruits for shipment to consumers, should be established in these and some other oblasts. The experience of other countries--major exporters of fresh fruit and vegetable products, in particular CEMA member countries--should be taken into account in the construction of such enterprises.



Intensification of the fruit-vegetable-industrial complex is inseparably connected with the establishment of modern vegetable and fruit storage facilities and refrigerators. The placement of such facilities in regions of cultivation of vegetables, fruits, and berries and in large centers of their consumption needs to be substantiated. However, processing enterprises should be established in small and medium-size cities. It would be advisable to take out fruit and vegetable canning enterprises from some big cities, primarily from Odessa and Simferopol.

In the fruit-vegetable-industrial complex it is especially important to improve the territorial systems of enterprises (agrarian and agro-industrial). For these purposes it is necessary to raise the level of concentration of the production of raw fruit and vegetable materials and to intensify intra- and inter-farm specialization in vegetable growing and horticulture. The implementation of such measures will make it possible to organize more compact raw material zones and to reduce the number of agricultural enterprises in each of them.

The organization of territorial systems of enterprises should be aimed at efficiently utilizing all types of resources (in particular, natural resources), overallly utilizing raw fruit and vegetable materials, upgrading the quality of final products, and improving relations between the suppliers and consumers of these raw materials.

The 27th CPSU Congress set big and important tasks for the development of the country's and, in particular, the Ukrainian SSR's animal husbandry-industrial complex. In 1990 the production of meat (in carcass weight) in the republic should be increased to 4.9 or 5 million tons, of milk, to 24.5 or 25 million tons, and of eggs, to 16 or 17 billion. The material and technical base of this complex is to be strengthened. It is also necessary to develop feed production in the maximum possible way. The production of coarse and succulent feed will be increased significantly on the basis of the intensification of field and meadow-pasture feed production. The production of plant feed protein will increase substantially through an expansion of the sowing and increase in the yield of lucerne, clover, peas, sunflower seeds, soybeans, rape, and other crops with a high protein content. It is planned to expand the utilization of byproducts of the food and fishing industry, as well as food waste, for feed purposes. Grain should be utilized for feed for livestock only in processed form (whereas at present about one-half of the feed grain is used in the republic in the form of simple grain mixtures). The productivity of livestock and poultry is to be increased on the basis of an improvement in the sector's feed base and the utilization of the achievements of genetics and selection and of new biological methods of a qualitative herd improvement.

Improvement in the organization of the raising and fattening of livestock and poultry, development of intra-and inter-farm specialization, and introduction of intensive methods and advanced flow technologies of production of meat, milk, eggs, and the sector's other products will occupy an important place in the intensification of animal husbandry. Horse and deer raising, fur farming,

rabbit raising, bee keeping, pond fishing, and silkworm breeding, along with cattle, hog, and sheep raising, will also develop in our country during the 12th Five-Year Plan.

Such specialized complexes as dairy-industrial, meat-industrial, and poultry-industrial are most developed in the republic's animal husbandry-industrial complex. All these complexes are closely interconnected by feed production. The following complexes are also connected organizationally to a certain extent: meat-industrial and dairy-industrial complexes, by meat and milk production, and meat-industrial and poultry-industrial complexes, by the processing of meat products. In animal husbandry-industrial complexes specialization according to natural zones is less pronounced than in plant growing-industrial complexes. However, its intensification in accordance with the possibilities for the development of the feed base of different natural zones represents an important potential for the intensification of animal husbandry.

An increase in meat production occupies a central place in the realization of the USSR Food Program. Therefore, special attention is paid to the further development of the meat-industrial complex. In meat production the Ukrainian SSR plays an important role in the all-Union territorial division of labor. It produces 23 percent of the all-Union volume of meat (in carcass weight), including 24 percent of the beef and veal, 25 percent of the pork, and about 24 percent of the poultry.

In the meat-industrial complex it is advisable to intensify specialization in beef production in Polesye, in regions of beet-sugar production of the forest-steppe, and in the piedmont regions of the Carpathian Mountains and in pork production, in the steppe and forest-steppe respectively (on the basis of the concentrated feed and waste of food industry enterprises). Livestock should be processed in regions with powerful raw material resources and near big cities. Meat processing enterprises (for example, sausage factories) should be developed in big settlement systems.

The efficiency of the territorial organization of the meat-industrial complex depends on an innovative organization of territorial animal husbandry systems. In such systems feed production, herd reproduction, increase in the size of young stock, and production of final products are combined technologically and territorially. In cattle breeding functioning in the meat-industrial complex territorial animal husbandry systems include the following enterprises: pedigree and reproducing enterprises and enterprises for increasing the size of young stock and fattening livestock, and in hog breeding, feed production and breeding-reproducing enterprises and enterprises for increasing the size and fattening of hogs respectively. These systems serve as the basic raw material link for the production of meat and meat products. Usually, (with the exception of pedigree enterprises) they are organized within the framework of administrative rayons. However, they differ significantly in the characteristics of organization and, as a consequence, in economic efficiency. The detection of the most efficient territorial animal husbandry systems and a close coordination of their functioning with the natural and economic conditions of regions are important potentials for the intensification of animal husbandry. For an efficient utilization of existing raw material

resources of the meat industry it is also necessary to form its stable zones and precise schedules of the arrival of livestock at processing enterprises.

The Ukrainian SSR dairy-industrial complex is also of all-Union significance. A total of 26 percent of the all-Union volume of butter, 25 percent of the canned milk, and about 20 percent of the cheese and brynza are produced in the republic. An increase in the productivity of cows is the basic source of the growth of milk production. This tendency should be intensified during the 12th Five-Year Plan. The territorial specialization of the dairy industry has intensified in connection with the growth of big cities and the formation of dairy-industrial complexes specializing in the production of whole-milk products around them. Therefore, it is important to determine the regions, in which the specialization of such complexes in the production of butter and hard cheeses should be intensified.

Territorial systems, which include feed production, pedigree, dairy-reproducing, heifer and primapara heifer-cow raising, and commodity milk production farms, are formed in dairy cattle breeding. The problem of the territorial organization of animal husbandry systems is complicated by the fact that, usually, systems for the production of various products, that is, milk and beef, pork and beef, pork and poultry products, eggs and poultry meat, and so forth, are combined on the same territory.

Territorial animal husbandry systems are the basis for the formation of raw material zones of processing enterprises. The efficiency of their organization and the effectiveness of the production and industrial processing of livestock products depend on the specialization, sizes, and territorial concentration of enterprises producing final livestock products.

The formation of suburban APK--around big cities, as well as in industrial and health-resort regions--should be an important direction in the improvement in the territorial organization of the republic's entire APK. The population of big cities has grown very substantially in the Ukrainian SSR in the last two decades. Now ten of its cities have a population of more than 500,000, including five cities, of more than 1 million (Kiev, Kharkov, Dnepropetrovsk, Odessa, and Donetsk). A vast urbanized region, where the urban population makes up about 90 percent, was formed in the Donetsk Coal Basin. During the summer period millions of people arrive for treatment and rest at the Crimea and at the north-western coast of the Black Sea. Under the effect of the population's needs for food agroindustrial suburban-type complexes are now formed around big cities and in the indicated health-resort regions.

In their nature suburban APK are azonal. Their basic specialization is not connected with the zonality of natural conditions. In contrast to specialized zones and regions the need of the population in big cities for not easily transportable and perishable products, such as vegetables, fruits, milk, fresh meat, and so forth, appears as the main factor in the formation of such complexes. Big agricultural enterprises for the production of open- and sheltered-ground vegetables, food potatoes, fruits, berries, eggs, poultry meat, and milk have been established near big cities. Therefore, specialized vegetable-industrial, fruit-industrial, dairy-industrial, meat-industrial, and poultry-industrial complexes form the basis for the functional structure of

suburban complexes. A close connection of the production of products with their sale is a characteristic feature of suburban APK. In essence, they are agro-industrial-trade territorial complexes.

The interrayon function of suburban APK is not significant. The soil and climatic conditions of the rayon, in which the city is located, the existence of specialized regions (zones), and their distance from the city are reflected to some extent in the efficient development and structure of these complexes. The territorial scale and limits of suburban APK depend on the size of a given specific city (system of settlements), the agro-industrial potential of the locality surrounding it, and the structure of agricultural production formed here.

Suburban agricultural zones--groups of administrative rayons, where the economic activity of kolkhozes and sovkhoses is aimed at providing the urban population with food products--have now been formed around big cities. However, such zones do not have sufficient capabilities for a fully adequate provision of the needs of the population of an adjacent city for milk, meat, and some other products. In fact, the limits of suburban complexes have already been expanded, but official suburban zones form only the nucleus of such complexes. The internal territorial organization of suburban APK has its own characteristics. The storage and sale of final products of production-territorial systems occupy an important place in their structure. Multistage milk processing is used in dairy-territorial systems. Special precision is required in the operation of transport facilities. The food waste of the urban population, in particular of public dining, plays an important role in feed resources. For the purpose of improving the management of suburban APK, a scientifically substantiated system of territorial organization should be developed for each of them.

Improvement in the territorial organization of oblast complexes is of great importance for an increase in the efficiency of the activity of the USSR APK. Within oblasts important processes of specialization, concentration, and interfarm cooperation of agriculture and its integration with other national economic sectors occur, many relations between agricultural and processing enterprises are established, most agro-industrial territorial systems are formed, and integrated intraoblast systems for production services for APK are created. By upgrading the structure and specialization of oblast APK it is possible to attain an efficient combination of specialized APK, as well as to improve territorial proportions on the scale of the republic and its natural-economic zones.

A fundamental problem of improvement in the intraoblast APK territorial organization lies in the attainment of an efficient combination of specialized complexes on the scale of an oblast and its territorial units (administrative rayons and elements of the territorial structure). Such a combination should be determined with due regard for natural conditions and their intraoblast differentiation, present and long-term directions in the specialization of agriculture, the formed network of processing enterprises and its streamlining in the future, the transport network, and other factors. It is especially important to take into account the availability of large settlement systems and the probability of formation of such systems in the future.

For the attainment of such an efficient combination of specialized complexes it is necessary to balance for each oblast (with due regard for allied interoblast systems of enterprises) the volumes of production of agricultural raw materials and the capacities for their processing, which will make it possible to reduce the distance of transport operations, to lower their losses, to increase the economic efficiency of the output of final products, to develop and streamline the sphere of production services for every oblast APK as a single whole (to expand the network of its enterprises, to consolidate them, to intensify their specialization, to improve organization and management, and so forth), to upgrade the intraoblast APK territorial structure, and to scientifically substantiate the scale of production and the limits of its suburban and zonal elements. Furthermore, it is important to streamline the organization of agrarian and agro-industrial territorial systems and their combinations. For these purposes it is necessary to bring the sizes of processing enterprises in correspondence with the concentration of the production of agricultural raw materials, to expand the network of enterprises for their initial processing, in every production-territorial system to establish the necessary service and auxiliary production facilities based on the achievements of scientific and technical progress, and to more fully utilize the potentials for the combination of sectors at agricultural enterprises located on a territory, where raw material zones of different processing enterprises are superimposed.

The above-stated makes it possible to conclude that, to expand the production and to improve the quality of output of the Ukrainian SSR APK, to better provide the republic's population with food, and to increase its contribution to the all-Union food stock, it is necessary to upgrade its territorial organization. This is one of the important potentials for the intensification and increase in the economic efficiency of its activity. The utilization of this potential is possible without substantial expenditures of material resources and, at the same time, it will contribute to the integration of all the links of the republic's APK as a single whole.

The establishment of an efficient APK territorial organization is possible only on a scientific basis. Its scientific substantiation should be directed at an improvement in the combination of sectorial and territorial principles of management and at an all-around consideration of regional factors in APK development for the purpose of their fullest utilization for the intensification of the production facilities of this complex. For these purposes it is necessary to develop a scheme of the territorial organization of the republic's APK, which should include the following components: 1) methodological foundations for its development; 2) scientific principles of an efficient territorial combination of agricultural, industrial, and other enterprises in the APK; 3) territorial organization of the republic's specialized complexes; 4) territorial organization of APK of oblasts and low-level administrative rayons, as well as suburban APK.

#### FOOTNOTES

1. See: V. I. Lenin, "Poln. sobr. soch." [Complete Works], Vol 36, pp 228-231.
2. See: "Territorialnaya organizatsiya agropromyshlennykh kompleksov" [Territorial Organization of Agro-Industrial Complexes], Kiev, Naukova dumka, 1985, pp 13-22.
3. Materials by G. V. Balabanov, V. P. Nagirnaya, and R. A. Yazynina were used during the illumination of these problems.
4. See: "Materialy XXVII syezda Kommunisticheskoy partii Ukrainy" [Materials of the 27th Congress of the Communist Party of the Ukraine], Kiev, Politizdat Ukrainy, 1986, p 113.
5. See: "Prodovolstvennyy kompleks SSSR: regionalnyye problemy" [USSR Food Complex: Regional Problems], Moscow, Ekonomika, 1984, p 73.

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## AGRO-ECONOMICS AND ORGANIZATION

### IMPROVEMENT IN APK FINANCIAL OPERATIONS NEEDED

Moscow FINANSY SSSR in Russian No 7, Jul 86 pp 3-11

[Unsigned article: "To Intensify the Action of Finances on the Development of the Agroindustrial Complex"]

[Text] It was emphasized at the 27th CPSU Congress that an immediate task of party, soviet, economic organs, all communists and all people is determined implementation of the party's present agrarian policy and fulfillment of the USSR Food Program. "The solution of these tasks," it is pointed out in the congress's resolution on the Political Report of the CPSU Central Committee, "must be served by organizational restructuring as well as by new large-scale measures for the creation of an effective economic mechanism within the APK system proposed to provide conditions for the wide-scale employment of economic methods in the operation of its subdivisions and a significant increase in the independence and initiative of kolkhozes, sovkhozes and other enterprises and to set up a reliable barrier to mismanagement and dependence."

More than 30 percent of the gross national product is created in the agroindustrial complex, including the total combination of sectors engaged in the production, processing and storage of agricultural products as well as material and technical support of agriculture. One-third of production capital and of the number of the country's workers are concentrated in it. It provides commodity resources to more than 70 percent of the retail trade. At the same time, large material and financial resources are allocated for APK development, which under the conditions of intensive growth of the complex have to be used most effectively.

Attaching great importance to the implementation of the present agrarian policy and the fulfillment of the USSR Food Program, the CPSU Central Committee and the USSR Council of Ministers carried out an organizational restructuring of management of the agroindustrial complex and outlined major measures for the creation of an effective economic mechanism.

In accordance with the decisions of the May (1982) CPSU Central-Committee Plenum, necessary conditions were created for improving the economy of kolkhozes and sovkhozes: purchase prices for agricultural products were raised by 6.2 billion rubles and markups in the amount of 9.8 billion rubles were established for them for low-profit and unprofitable kolkhozes and

sovkhozes. Each year 3.3 billion rubles are allocated for financing the construction of facilities of the cultural and personal-services type and for their maintenance and construction of intrafarm roads as well as payment of insurance payments for kolkhozes existing under the worst natural and economic conditions. Indebtedness in the amount of 9.7 billion rubles was written off at the expense of the budget for bank loans for economically weak farms and repayment of such indebtedness in the amount of 11.1 billion rubles was postponed. All this had a positive effect on increasing production and purchases of agricultural products and growth of profit and profitability of production. In 1985, kolkhozes and sovkhozes made a profit of 21 billion rubles and production profitability amounted to 20 percent.

At the same time, because of incompleteness of reorganization of the management structure of the agroindustrial complex, the necessary level of agricultural integration with the processing industry was not achieved at the union and republic levels and no significant changes in the economic mechanisms of interrelations of kolkhozes, sovkhozes and servicing organizations took place. As a result, all available reserves were not used for growth of agricultural production and boosting the profitability of kolkhozes and sovkhozes. Many farms remained unprofitable despite the establishment of hikes to purchase prices of up to 75 percent for low-profit and unprofitable kolkhozes and sovkhozes.

At the April (1985) CPSU Central Committee Plenum basic conditions of planning, financing and management of the agroindustrial complex as a single entity were formulated. In conformity with them, the CPSU Central Committee and the USSR Council of Ministers adopted on 14 November 1985 the decree "On Further Improving Management of the Agroindustrial Complex." A union-republic State Agroindustrial Committee was formed.

In Gosagroprom USSR, enterprises and organizations are concentrated for the production, procurement (except for grain products), storage and processing of agricultural products and material and technical support of agriculture. It is the central organ of state administration of the country's agroindustrial complex and together with union republic councils of ministers bears the full responsibility for fulfillment of plans for procurement of agricultural products and assurance of their complete safety, qualitative processing and significant expansion of assortment.

The developed system of management, planning and material and technical supply ensures financing of the agroindustrial complex as a single entity. At the same time, plans for financing capital investment and formation of the basic herd of productive and work livestock and growth of norms of own working capital, operational expenditures and other costs should be conveyed to oblasts and rayons as a whole without being broken down according to individual sectors. This organ of management as the truly single master on earth turns over to the direct subordination of rayon agroindustrial associations sovkhozes, servicing, processing and construction organizations.

The new edition of the Program of the Communist Party of the Soviet Union adopted by the 27th CPSU Congress points out that acceleration of the country's social and economic development requires constant improvement of



management of the national economy and reliable and efficient functioning of the economic mechanism, including in itself diverse, flexible forms and methods of management corresponding to the changing conditions of economic development and the character of the problems being solved. This requirement fully applies to management of the operation of enterprises and organizations of the agroindustrial complex.

The great production potential of the agroindustrial complex, having designated positive improvements in its development following the May (1982) and April (1985) CPSU Central Committee plenums and reorganization of management created favorable prerequisites for accelerating the growth rate of production, raising production quality and ensuring the fullest possible satisfaction of the needs of the population for foodstuffs and of the processing industry for raw materials. At the same time, the existing economic mechanism and developed methods of planning and stimulation insufficiently orient kolkhozes, sovkhoses and other enterprises and organizations of the complex toward wide-scale introduction of achievements of science and advanced experience, provision of stable development of agriculture and sectors connected with it, concentration of resources and capital on directions making it possible to get the biggest return and reduction of production losses at all stages of production, storage and processing. Cost accounting and progressive forms of reorganization and payment of labor are poorly used.

In conformity with the tasks set by the 27th party congress for raising efficiency of public production and for the purpose of providing clear-cut, economically mutually coordinated work of all parts of the agroindustrial complex, the Central CPSU Committee and the USSR Council of Ministers adopted in March 1986 the decree "On Further Improving the Economic Mechanism of Management in the Country's Agroindustrial Complex." It provided measures for expansion of initiative, increased independence and accountability of kolkhozes and sovkhoses with respect to work results. A transition will be carried out to the normative method of determining the volume of production and purchases of agricultural products as well as deliveries of material and technical resources. A plan for grain purchases is being established for the 12th Five-Year Plan by years. For other products, only plans for its deliveries to all-union' republic funds are turned over to union republics and oblasts for other products.

For the purpose of stimulating the interest of local organs in increasing the production of food products and improving their supply to the population, meat, milk and other products are left at their disposal following fulfillment of plans for their delivery to central stocks. Kolkhozes and sovkhoses have been granted the right to sell all above-plan products and to sell potatoes, fruit and vegetables up to 30 percent of planned production through cooperative trade and at the kolkhoz market.

Cooperative trade in meat is expanding significantly. Cattle and poultry reared on private subsidiary farms of citizens in accordance with contracts are purchased by consumer-cooperative organizations directly or through kolkhozes and sovkhoses and are mainly sold for the purpose of improving the local supply according to cooperative-trade prices. At the same time, it is

permitted to send up to 20 percent of the meat purchased by consumer cooperatives as part of the total volume of subsidized deliveries to republic and oblasts.

For the 12th Five-Year Plan, payment has been extended to farms of 50-percent increases to purchase prices for selling to the state basic types of agricultural products above the level attained in the 11th Five-Year Plan, while for grain such an increase will be paid in the amount of 100 percent of the purchase price, given the condition of fulfillment of state purchase plans.

The payment of increases to purchase prices for agricultural products sold to the state by low-profit and unprofitable kolkhozes and sovkhoses operating under the worse natural and economic conditions has been extended in accordance with the decisions of the May (1982) CPSU Central Committee Plenum for 1983-1985. At the same time, changes must be introduced into the list of farms receiving increases, with account being taken of profitability of production and the economic and financial status.

A fund is now being created in union republic gosagroproms for providing assistance to individual farms operating under especially difficult conditions. Ten percent of the appropriations allotted for increases to purchase prices for agricultural products sold to the state by low-profit farms will be allotted for it.

Radical changes have been introduced into the planning of wage and material stimulation funds of workers of sovkhoses, rayon agroindustrial associations and oblast agroindustrial committees and into financing and credit extension for APK enterprises and organizations.

The nature of the revision of the economic mechanism consists in raising the effectiveness of cost accounting based on normative methods of planning purchases, the wage fund, financing, payments into the budget, deductions into central funds, expansion of operative and economic independence of enterprises in the solution of production and financial questions and their increased responsibility for end results. The basis of the norms is: economic valuation of the land and provision of farms with fixed capital and manpower resources.

Beginning with 1987, the wage fund will be directly formed by sovkhoses according to stable norms per 100 rubles of sold or gross agricultural production. For products produced above the level on the basis of which the norm was set, money will be issued for each percent of growth of sales by bank institutions for payment of labor according to the coefficient of 0.8 percent of the planned wage fund according to norms. For individual kolkhozes, naturally, it is planned to differentiate this coefficient while taking into account the farms' specialization.

Norms provide for the outstripping growth of labor productivity compared to the wage fund. In this way, labor-productivity growth is planned into the actual norms. Employment of the coefficient in the amount of 0.8 percent on

whose basis money will be additionally issued for growth of production output provides for an increase in labor productivity according to plan.

A reliable antiexpenditure mechanism was created, contributing to rational use of the wage fund. The responsibility of state enterprises for expenditure of this fund is being increased and personal interest is rising in its economical use and in the employment of more perfect forms of labor organization and material stimulation.

Savings of the wage fund are allotted in equal shares to the material incentive fund and the reserve fund of the farm, and overexpenditure is compensated through the means of these funds. In case of their insufficiency, bonuses credited to the farm's collective are reduced by the amount of overexpenditure. In case the growth rate of the average wage outstrips the growth rate of labor productivity, the material incentive fund is reserved for the amount that is exceeded for its use in the following year for the purpose of stimulating growth of labor productivity and raising production efficiency. In isolated cases the amounts exceeded by the sovkhoz can be directed to the fund of social and cultural measures since agricultural production is still subject to the influence of weather conditions.

It has been found necessary to transfer all production units of enterprises of Gosagroprom USSR to the collective contract. It should include links, brigades, shops and all enterprises. Its idea is to pay for the work of workers, specialists and management personnel depending on the volume of sold or produced products. Because of the seasonal character of production, workers are paid an advance for completed work based on rates, while specialists and management personnel--in the amount of 80 percent of their salaries with subsequent additional payment for production output. At the same time, sovkhoz directors have the right to prescribe for sovkhoz workers additional pay for production in the amount of 50 percent of the wage fund calculated on the basis of rates. The increase in supplementary payments is done within the limits of the established wage fund according to prescribed norms. Moreover, 70 percent of the savings of direct expenditures obtained by units of sovkhozes is used for providing a bonus for the collective, while overexpenditure is made up with money provided for payment of labor and awarding of bonuses for work of the units. This increases the personal interest of the collective in producing products with smallest outlays of labor and resources and in good organization of planning and arrangement of recordkeeping and reporting. Intrafarm cost accounting in the units is acquiring a more finished form.

It is necessary to emphasize that today money intended for awarding of bonuses to management personnel and specialists of kolkhozes and sovkhozes for the production and sale of individual types of products, paid by procurement and processing enterprises, is included in the material incentive fund and is allocated on the decision of labor collectives for bonus awards to workers, specialists and management personnel.

The payment of management personnel and specialists of rayon agroindustrial associations and oblast agroindustrial committees has also to a certain extent been made dependent on the end work results of jurisdictional enterprises and

organizations. Prior to final payment for production, they are paid 90 percent of their monthly salaries in the form of advances.

The financial and credit mechanism first of all provides for the work of APK enterprises and organizations on principles of self-reimbursement, that is, reimbursement by them of expenditures for production and expanded reproduction with their own sources.

Kolkhozes and sovkhozes are carrying out expanded reproduction and are engaged in the construction of facilities of the nonproduction type as a rule with their own funds and bank credits. Budget allotments to agricultural enterprises are earmarked principally for expenditures connected with the further development of the material and technical base for growth of production of agricultural output and the solution of social problems. Their size will be determined for the years of the 12th Five-Year Plan on the basis of the 1986 plan, taking into account growth of gross production, volume of capital investment for the corresponding year and growth of the share of their own funds used for production development. In 1986, total outlays for the development of sovkhozes and kolkhozes in the amount of 53.2 billion rubles include 35.7 billion rubles of their own sources, 5.2 billion rubles of bank credits and 12.3 billion rubles of budget allotments. With higher production profitability, the relative share of budget allotments will be reduced and farms will become fully self-paying.

Rayon agroindustrial associations have been granted broad rights in the use of budget allotments designated for the development of sovkhozes and other agricultural enterprises and the solution of problems that are dictated by the need to increase production output and keep cadres in rural areas. This means that allotments from the budget have to be allocated to sovkhozes while taking into account growth of gross output, size of capital investment and growth of the share of own funds for the development of production based on production need.

For the purpose of increasing the responsibility of local soviet and economic organs for the operational results of kolkhozes, sovkhozes and other enterprises and organizations of Gosagroprom USSR, the task was set to transfer them in the 12th Five-Year Plan to financing from budgets of oblasts, krays and autonomous republics. At the same time, payments for Gosagroprom enterprises will go into the oblast's budget. Consequently, the financing of other enterprises and measures in the oblast will significantly depend on the profitability of their work.

Gosagroprom USSR and union republic gosagroproms, oblast agroindustrial committees and rayon agroindustrial associations have been vested with the right to redistribute budget allotments according to directions of their use in those cases where this is due to production need. Agroindustrial committees and associations may use more broadly the right granted them to change sizes of allotments from the budget and payments into the budget where this is due to changes in production conditions. At the same time, naturally, interrelations with the budget of the republic or oblast as a whole must not be affected.

Of major importance to expansion of economic independence of sovkhozes and other state agricultural enterprises is granting of rights to them to use all free financial resources at their disposal for the financing of planned measures regardless of the sources of their formation. In this way, sovkhozes through profit, amortization deductions and money from culling livestock can cover expenditures for those measures for which the need for financing sources arises in the course of the year. All the capital of the farm and budget allotments will be in circulation regardless of their designation and only in the case of their shortage could a temporary need for credits arise. At the same time, however, reporting should reflect the use of capital according to directions.

Sovkhozes and other state agricultural enterprises and organizations will make payments from profit into the budget, while kolkhozes will pay income tax according to norms that are stable for the years of the 5-year plan and set while taking into account the economic valuation of the land and availability of fixed capital and manpower of resources. This means that the system of payments into the budget has been placed on a normative basis.

Making of payments according to stable norms increases the responsibility of kolkhozes and sovkhozes for the results of their work. Regardless of whether a profit is made, farms must make payments into the budget in amounts determined on the basis of the indicated conditions. This, of course, requires a certain redistribution among farms of the amounts of payments and income tax.

The decree of the CPSU Central Committee and the USSR Council of Ministers "On Further Improving the Economic Mechanism of Management in the Country's Agroindustrial Complex," cardinal questions are solved relating to the development of interfarm enterprise, lending aid to farms as well as leveling out of conditions of operation of kolkhozes, sovkhozes and other enterprises connected with the influence on production of different natural and economic factors. For this end, central reserve funds are being created in rayon agroindustrial associations, oblast agroindustrial committees and gosagroproms of union and autonomous republics as well as Gosagroprom USSR with deductions from funds by sovkhozes, kolkhozes and other state enterprises and organizations. At the same time, capital of kolkhozes is put into central reserve funds with their approval. The deduction will be done on the basis of norms while taking into account the economic valuation of the land, availability of fixed capital and manpower resources.

The central reserve fund is designated for the development of interfarm enterprises for the production, processing and storage of agricultural products and the solution of urgent production questions. It for all practical purposes unites in itself deductions into reserve funds produced earlier by sovkhozes as well as money taken out by higher organizations for distribution. Deductions into this fund will amount to 4-5 billion rubles a year. It is necessary to note that the removal of these funds will now be done strictly on a normative basis. At the same time, the remains of own funds of sovkhozes and other agricultural enterprises not used on the basis of the year's results are not removed, which increases the cost-accounting basis of the enterprises' operation.

The integrity of the management mechanism of APK enterprises is ensured by providing them with major rights in the use of profit. Its present distribution in sovkhozes is in practice based on principles comparable to the principle of using net income at kolkhozes. Sovkhozes and other agricultural enterprises and organizations after payments into the budget and of loan interest payments distribute profit at their discretion, setting it aside primarily for repayment of bank credits, production development and other planned measures and for the formation of economic stimulation funds and deductions of money into central reserve funds and the farm's reserve fund.

It is necessary to point out that in distribution of profit at sovkhozes only deductions into the material incentive fund (17 percent of the wage fund) and social and cultural measures (50 percent of the material incentive fund) as well as into the central reserve fund are limited. At the same time money from the fund of social and cultural measures is used solely for social and cultural purposes and for providing aid to the farm's personnel. Expansion of production as well as housing construction are carried out with profit. For these purposes, money from the central reserve fund and budget allotments on the decision of higher organizations, taking into account the economic state of a farm, are also allocated.

Capital construction is conducted in conformity with capital investment limits established for enterprises. At the same time, sovkhozes, processing and other state enterprises and organizations of the agroindustrial complex are given the right on the condition of their procuring their own funds and material resources to carry out construction and acquire machines above the limits of state capital investment.

In accordance with the decree, the credit influence is increased for the safety and rational use of own working capital and timeliness of return of obtained credits. For this purpose, a single procedure of short-term credit extension is used for kolkhozes, sovkhozes and other agricultural enterprises and organizations for physical assets and production expenditures without subdivision according to items of credit extension with taking into account the aggregate norm of working capital. At the same time Gosbank USSR, Gosagroprom USSR and the USSR Ministry of Finance must implement measures for the further unification of credit extension to other enterprises and organizations of the agroindustrial complex. Gosbank USSR, for the purpose of ensuring expanded reproduction at kolkhozes not possessing their own working capital, has been permitted in extending credit to them to adopt for an aggregate norm of working capital the working capital existing at such farms as of 1 January 1987 while taking into account growth according to plan. This means that kolkhozes in subsequent years will have to create working capital from their own resources within norm limits.

In implementation of the economic experiment in Stavropol Kray and a number of other RSFSR regions, the groups of credit-extension items were reduced from 20 to 3. Now long-term credits to sovkhozes, kolkhozes and other enterprises and organizations of the Gosagroprom USSR system issued according to the plan for long-term credit extension are granted for: construction, expansion and modernization and reequipment of facilities of the production type--for a

period of repayment of not more than 20 years, with payments starting with the 5th year following granting of the credit; for the purchase of agricultural equipment, transport means and equipment not included in the estimates of construction projects--for a period of up to 7 years with payments beginning with the 3rd year after granting of the credit; for construction of facilities of the nonproduction type on kolkhozes--for a period of up to 15 years with payments beginning with the 5th year following granting of the credit.

For new and long-term credit extension to kolkhozes, sovkhozes and other enterprises of the agroindustrial complex, credits are granted which take into account the general ability to pay of the enterprises and organizations, that is, determination of the prospect of return of the loans granted to farms as the result of all types of operation. Such a procedure should increase the responsibility both of kolkhozes and sovkhozes and of Gosbank institutions for the timely return of loans and economic substantiation of construction.

The rights of Gosbank have been significantly expanded in granting of credits to kolkhozes and sovkhozes for construction, expansion, modernization and reequipment of facilities of the production type. They are now issued for such purposes for a period of up to 6 years above the limits of capital investment with repayment from additional income. For these credits, a payment charge is imposed in the amount of 3 percent.

The bank is permitted to grant to kolkhozes, sovkhozes and other enterprises and organizations of Gosagroprom USSR short-term credits for the payment of performed work relating to ahead-of-schedule startup of constructed facilities with their repayment not later than 1 April of the following year from funds provided in plans for financing of capital investment. This ensures continuity of financing, stimulation of reduction of construction time periods and volume of unfinished construction. At the same time, the principle of returnability in credit extension will be more consistently observed, and its adjustability will be improved.

The seasonal character of agricultural production creates the need for providing financial assistance to individual farms that have suffered as a result of unfavorable work conditions. Granting of postponements for bank loans has resulted as a rule in uncontrolled use of credits and has reduced the responsibility of farms for their return. Today Gosbank institutions are permitted to grant to individual enterprises and organizations of the Gosagroprom USSR system experiencing temporary financial difficulties and not able to provide on time reimbursement of their debts repayment deferrals of up to 6 months on the condition of having appropriate concrete measures and guarantees worked out by the higher organs possessing central reserve funds.

Sanctions are introduced into the practice of credit extension to enterprises and organizations. Kolkhozes, sovkhozes and other enterprises, consistently failing to fulfill plans or allowing above-plan costs, unproductive expenditures and losses and violations of financial discipline or not ensuring timely return of credits are put on special conditions of credit extension by bank institutions. This means that the bank institutions must establish control over the spending by these farms of credits for wages and commodity

prices. In necessary cases, the size of the credits will be reduced or credit extension will be stopped.

For the purpose of creating stable financial conditions for the normal operation of kolkhozes and sovkhoses that suffered natural calamities or unfavorable weather conditions, the level of insurance compensation beginning with 1986 is raised from 50 to 60 percent of the cost of agricultural crops' harvest shortfall. Thus without a change in the size of insurance payments, insurance compensation in the case of agricultural crops' harvest shortfall is increased by 20 percent compared to the existing procedure.

Low-profit kolkhozes, sovkhoses and interfarm construction organizations and industrial processing enterprises obtain deferred indebtedness in the 12th Five-Year Plan for bank loans which was essentially established prior to raising of purchase prices in 1983.

The financing of APK capital construction has been considerably simplified. Beginning with 1987, indicators of the capital-construction plan are determined by sovkhoses and other state enterprises and organizations within the reduced limits of capital investment and construction-installation work and for kolkhozes--while taking into account the same indicators communicated to them providing for material and technical resources. The chief attention is directed to observance of normative construction time periods. The number of indicators required for opening of financing has been reduced. Now bank institutions are provided only title lists and intrabuilding title lists, the the financing plan, documents on availability of planning estimates and contracts for the fulfillment of contract work. Thus the number of documents is reduced by more than fourfold.

Maneuverability in the use of financial and material resources by rayon agroindustrial associations and other administrative organs of the agroindustrial complex is improving. They are granted the right to allot in the second half of the year capital provided by the state plan for capital construction that is not being used directly by subordinate enterprises and organizations for the financing of projects, construction and installation work and payment of equipment and machines. At the same time, enterprises' and organizations' own capital is not subject to redistribution.

Improvement of financing and credit extension and increasing the personal interest of farms in economical expenditure of the wage fund as well as of wages whose sizes depend on the volume of sold or produced products increases the responsibility of collectives for end results. At the same time, normative redistribution of profit and other own capital of a farm is bolstered by the cost accounting bases of an enterprise's operation. Improvement of the management mechanism is done according to the principle of democratic centralism. At the same time, with strengthening of the economies of kolkhozes, sovkhoses and other APK enterprises and organizations, the task has been set to transfer them to self-paying as provided in the decisions of the 27th party congress.

The transfer of sovkhoses and other organizations of the complex to self-paying requires a radical change in distribution of profit and wages of



workers, specialists and management personnel. Enterprises must make up all production costs and ensure further development of the farm through profits from the sale of products and other sources. In such a case, cost accounting must acquire a finished form.

Thus the new management mechanism in the agroindustrial complex provides both expanded rights of enterprises and organization and their increased responsibility for the results of financial and economic operation. It is based on norms taking into consideration the economic valuation of the land and abundance of supply of fixed capital and manpower resources. Kolkhozes, sovkhozes and other enterprises of the agroindustrial complex and economic, agricultural and financial organs and banking institutions must absolutely introduce this mechanism. At the same time, it is necessary to develop new documents regulating the operation of enterprises and organization under the new conditions of management and to radically rework the normative acts for the financing and credit extension of kolkhozes, sovkhozes and other APK enterprises and organizations. Financial organs must provide help to APK organs in the timely financing of measures and distribution of profit and ensure payments into the budget in the prescribed amounts.

Union republic councils of ministers are instructed to determine according to oblasts the sizes of bank-loan indebtednesses of low-profit and unprofitable kolkhozes, sovkhozes and other enterprises and organizations while taking into account their economic and financial status. Lists of farms that have been granted postponements are approved by oblast soviets of people's deputies and councils of ministers of union republics with no oblast breakdown on the presentation of agroindustrial committees or offices of Gosbank USSR. Finance organs should take an active part in this important work. Assistance must be provided to farms which are unable to repay indebtedness with their own funds.

The establishment of markups to purchase prices for agricultural products sold to the state by low-profit and unprofitable farms has helped strengthen the economies of many kolkhozes and sovkhozes. In connection with the fact that the use of markups to purchase prices is a temporary measure, it will be necessary to introduce changes both in their sizes and in the lists of farms using them. Gosagroprom organs must work out and implement concrete measures for each low-profit and unprofitable farm, guaranteeing production growth of agricultural products, curtailment of nonproductive expenditures, reduction of production costs and boosting of labor productivity and production profitability. Financial organs must take a direct part in this work.

For the purpose of establishing a unified procedure in opening of financing for enterprises and organizations of the Gosagroprom system, beginning with the second quarter of 1986, in the expenditure schedule--in the plan for financing of state capital investment--only budget allotments are shown. Gosagroprom's enterprises and organizations present directly to a bank's financing institution plans for financing state capital investment with an indication of own sources, open budget allotments and credit extension limits. Such a financing procedure increases the responsibility of higher organs of enterprises and organizations for provision of necessary sources of the capital-investment limit.

At present, allotments to union republic gosagroproms, oblast committees and rayon agroindustrial associations are shown according to budget-classification articles on the whole without a breakdown by individual sectors. Rayon agroindustrial associations transfer allotments to jurisdictional enterprises and organizations and keep records according to sectors and articles of expenditures. As a result, the number of documents has been sharply reduced.

In connection with the creation of cooperative-state and state cooperative construction organizations, calculations with the budget for payments and allocations and the formation of the economic stimulation funds have been significantly simplified.

In 1986, a lot of work was done on reducing accounting reporting of enterprises and organization. This principally applied to monthly and quarterly reporting. A task was set to significantly reduce (by 30-40 percent) the number of indicators in plan documentation and annual reports and in operational reporting of kolkhozes, sovkhoses and other enterprises of the agroindustrial complex. At the same time, the amount of information and the number of indicators required by financial organs of APK enterprises and organizations as well as by inquiring higher financial organs has to be reduced.

Improvement of the management mechanism in the agroindustrial complex makes qualitatively new demands on the control and economic work of financial organs. Improvement in its organization must first occur in regard to strengthening financial methods of effecting a rise in the profitability of production and reduction of nonproduction losses and costs. In case of use of budget allotments, the financing of enterprises and organizations with notification of the higher organization can be stopped irrationally and not according to designated purpose. The results of checks and audits of financial and economic work should be first done locally. Reserves of production profitability growth should be revealed and proposals submitted concerning reduction of nonproductive losses and expenditures. The work of financial organs should aim at timely financing of all measures in the agroindustrial complex and full receipt of payments into the budget from profits and turnover tax. The creation of the APK Main Finance Administration in the USSR Ministry of Finance, administrations in union republic finance ministries and APK finance departments in oblast finance administration and bolstering them with cadres will make it possible to improve economic and control work at enterprises and organizations of the complex. Agricultural economists in rayon finance departments should play a significant role in the organization of the work.

Strengthening the economies and finances of APK enterprises and organizations is the most important task of the new administrative organs of the agroindustrial complex. Financial organs, utilizing financial levers and providing direct assistance in the solution of operational questions of budget

financing and payments into the budget, ought to make their substantial contribution. This will contribute to the implementation of the decisions of the 27th party congress aimed at raising the efficiency of public production.

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RSFSR GRAIN CULTIVATION COST PROBLEMS EXAMINED

Moscow IZVESTIYA in Russian 29 Jul 86 p 3

Article by V. Gavrichkin, A. Dergachev, V. Kulagin and V. Oliyanchuk representing Krasnodar, Rostov-na-Donu and Stavropol: "Value of the Grain"/

Text This field of the 3d Brigade at the Kolkhoz imeni Kirov in Labinskiy Rayon in Krasnodar Kray had just been harvested -- green rows of corn seedlings, which had been sown in a hurry, stretched out over a black bed of plowed land. The second crop was growing and increasing in strength. We took note of it at a time when on one edge of the plot combines were completing their work of threshing the ears, machine operators were thereafter gathering up the straw using rope sweeps and the latter were immediately followed by manure spreaders. On one half of the field, one could observe the lustre of a bed of chernozem soil that had been turned over by plows and tractors towing sowing machines were busily scurrying over the freshly plowed land. A harvesting complex with a completed work cycle was in operation.

"We expended a considerable amount of money for the cultivation of grain crops using intensive technology" stated brigade leader D. Ogarev, "But everything was done in a planned manner. In order to ensure the repayment of expenses, the grain crop yield must be on the order of 40 quintals. And it will reach this amount. We will be able to obtain a second corn grain yield -- this increase will raise the return per intensive hectare. I believe that even in the spring, after sowing beets here, we will not be in error: the results of the intensive workings will have an effect on the future crop."

The brigade leaders reasoned in an intelligent manner. We need grain. And this grain must be of good quality. But the expenses must be taken into account. A modern peasant must be aware of the true worth of each kopeck spent and the return to be realized from its use. Is he always aware of this information?

In attempting to understand this fact, we held discussions with dozens of grain growers on farms in the Don, Kuban and Stavropol regions. The answer to our question, based upon everything we heard, would be roughly as follows: "The individual with an empty pocket is always that person who glances at his wallet only after the grain is already in the granary. The rubles should be counted throughout the year inasmuch as concern for a crop is a year-round undertaking."

"This, if you wish, is the law of a grain grower" stated the chief of the Department of Farming of the Rostov Oblast agricultural committee V. Astapenko, with conviction, "When you consider the matter in this light, you become convinced that the return being realized from a hectare of Don land is far from its true potential."

Together with V. Astapenko, we visited fields in many rayons throughout the oblast and we became convinced regarding the correctness of the words uttered by him. The differences in the yields being obtained are simply shocking: on some farms where the fields were scorched by the sun, the compensation is barely enough to pay for the seed used. At the same time, however, 30 and 40 quintals of grain are being obtained from neighboring farms.

Even in the Kuban region, where the yields this year are relatively high, the differences in the return from an intensive hectare fluctuate from 5-10 and up to 30-40 quintals: some are obtaining 60 and others only 20 quintals on the average. And the weather cannot be blamed this year: the problem mainly has to do with expertise. In Shcherbinovskiy Rayon, for example, there was a shortfall in yield mainly owing to the fact that they were unable to protect the sowings against pests and diseases. Even the protective means remained unused, despite the fact that mineral fertilizers and chemicals are being issued on a very miserly basis and certainly not to excess. In the face of these circumstances, it is hardly possible to discuss expertise.

Similar examples are to be found on farms in Stavropol Kray. We became convinced regarding the differences in return from an intensive hectare following a visit to the Kolkhoz imeni Kirov in Trunovskiy Rayon. Our companion was the chief agronomist for the grain production section of the kray's agricultural committee Ye. Nikitin, who was equipped with a calculator and who quickly added up the "pluses" and "minuses." And the arithmetic was as follows. The additional expenditures per hectare of intensive field (and 3,700 hectares of "Bezostaya-1" wheat are being cultivated at the kolkhoz using the intensive technology) amounted to 90 rubles. The average yield is 41 quintals compared to a planned figure of 27. If all of the grain was sold with a 30 percent bonus "for strength," then even after deducting the additional expenditures an intensive hectare furnishes a net increase of 53 rubles and 76 kopecks. In other words, each ruble invested furnishes 60 kopecks of profit. In the absence of a bonus for grain quality, the profit per invested ruble would decrease to 44 kopecks. A ruble is repaid only if the yield exceeds the planned figure by 10.5 quintals. But let us say that 7 quintals of increase are obtained -- for each hectare, 30 rubles worth of additional expenditures are not justified.

These figures are significant. There remains one question: why did we use 27 quintals as the base yield? This was the average yield during the five-year plan for the Kolkhoz imeni Kirov. But it could have been different. In the Kuban region, for example, they reasonably informed us in this regard: "Certainly, if we compare the yield obtained this year against the average for the five-year plan, the expenditures are more than covered. But quite another picture emerges, if we compare it against the figure for 1978 -- a record year in terms of yield."

Thus the problem of problems stood out quite clearly. In order for the computation to be accurate, an evaluation of the return from an intensive field should be carried out based only upon use of the resource potential and particularly the land potential. Commencing in 1987, such economically sound norms will become the basis for planning. And the normative point of a reading will raise the question: are our farms prepared, with a full workload, to force each hectare of arable land to work?

We note immediately: in the north Caucasus, they are aware of the difficult task remaining to be solved. And they are accomplishing a great deal towards this end, particularly with regard to the correct placement of the agricultural crops.

Thus, in the eastern rayons of Rostov Oblast, where quite frequently the winter grain crops must be resown, rather large areas are now being set aside for forage crop use. A three-field crop rotation system has even been introduced into operations here: fallow -- winter crop field -- reserve field for perennial grasses. If good conditions are available -- winter crops are planted following fallow -- and if good conditions are not present -- a preference is shown for spring crops. Such maneuvering on the arable land has proven to be quite advantageous. The farmers are striving to realize an even greater advantage here through the use of post-harvest and post-cutting sowings -- one twelfth of the arable land is presently occupied by such sowings.

True, such sowings, if one chooses to have them, do not leave much time for preparing for haying or harvest operations. Thus this year the first cutting of grasses in the Don region was taken in just 10 days. And by the beginning of July, 150,000 hectares of the arable land thus made available had been sown in corn, sunflowers and sorghum. And indeed this second crop provides a minimum of 250 quintals of fodder on the average -- a solid increase!

In Stavropol Kray and the Kuban region, fine use is being made of the potential for carrying out secondary sowings. The Kuban farming experts, for example, are having success in growing corn for grain and in obtaining a rich buckwheat yield.

"A hectare of arable land will become even more productive if we revive the former glory of so-called bastard fallow" stated the secretary of the Krasnodar Kray Party Committee N. Kondratenko, "At the present time, the situation is as follows: we are making fallow land available for use with the intensive technology. Is this correct? Indeed, during any year, grain crops following fallow provide us with a fine increase in yield. We must take this course. Use of the intensive technology coupled with applications of fertilizer and protective agents can return fine yields from fields which were plowed early."

But, whether we like it or not, the more we take from the land, the more we must return to it. We encountered many farms in the north Caucasus region on which, owing to laziness on the part of their agronomists, all hope rested on achieving an increase in the deliveries of mineral fertilizer and chemicals. In the process, they overlooked organic materials and many other traditional agrotechnical methods which make it possible, in the absence of "chemistry", to maintain the strength and purity of their land.

But not everyone overlooked these matters. And by no means did all of them "forget" about laziness.

In the Don region, in Zernogradskiy Rayon, they are confidently approaching the figure of 1 million tons -- the amount of organic material which should be applied annually to the arable land here. Using serially produced machines, the local experts produced 29 powerful loaders and with their aid they shipped 36,000 tons of organic material out onto the fields during one shift. And it was applied using a spreader -- also produced locally and its productivity -- not less than 100 hectares of arable land per shift! If use were to be made of a conventional bulldozer, not less than 1 week would be required for 100 hectares.

"We do not invent to make life easy" commented the chairman of the RAPO /rayon agroindustrial association/ council A. Boravlev, "Is it not a paradox: we can create the machines needed in our workshops and industry cannot."

Perhaps, someone will ask: and what is the purpose of the harvest work here? Our answer would be as follows: in order to put tasty and cheap bread on our tables, we must work from one autumn to the next. Strong fields mean strong bread. And such bread is obtained only by strong masters.

Thus we return to the harvest operations in order to study the work being performed by a master of the land.

In the Don region, at the Razvilinskiy Sovkhoz, the machine operators of the harvesting-transport complex V. Zhilyabin, having threshed the wheat on a 90 hectare field, left no less than 270 quintals of grain out on the land together with the straw. In the 6th Brigade at the Kolkhoz imeni Myasnikyan in Myasnikovskiy Rayon, the team of V. Shestak tolerated a loss of 5 quintals per hectare during threshing operations.

There is no need for continuing this list: unfortunately, many incidents similar to the above could be cited. In analyzing them, we drew the following conclusion: grain harvested in the above manner, wheat windrows trampled into the ground and unfertilized and untended arable land are all the result of one basic cause. These conditions arise only in those areas where there is no master of the land.

We paid a visit to the Iskra Kolkhoz in Timashevskiy Rayon following a heavy downpour of rain. The downpour occurred almost 24 hours earlier and yet the puddles on the asphalt and on the sides of the roads had still not dried up. Indeed, it is said that inclement weather plays on the nerves of the grain growers. But we found everything to be normal at the Iskra Kolkhoz: the chairman was in his office, the machine operators were out on the fields, where they were harvesting the already dry wheat using the direct combining method.

"I did not issue them any commands -- they made the decision themselves." stated the kolkhoz chairman N. Kaplenko.

An explanation was soon given for this business-like calm: the mechanized detachment works on the basis of a contract. It is an independent cost accounting collective. All of its members, including the drivers who transport

the grain to the threshing floor, are paid wages based upon the final output. Several combine operators were obtained "from the side" and they are paid from the detachment's fund. Thus, the quality of the work is controlled. Here, on a field made available for the purpose, a kolkhoz fertility detachment was at work. The collective of the mechanized detachment had "engaged" it on a sub-contractual basis. And the farmers had already sown corn and buckwheat on the stubble fields.

Later we carried out a computation together with the chairman: for cultivating grain crops using the intensive technology, the collective of the mechanized detachment spent approximately 100,000 additional rubles and it will obtain for the products approximately 250,000 rubles. The yield was excellent: the barley furnished 71.3 quintals and the wheat was no lower than 52 quintals.

We saw an almost identical expert account at the Stavropol Kazminskiy Kolkhoz -- with but one difference -- here the wages are computed based upon gross income and the plans for the current five-year plan call for it to be raised here to 16,000 rubles per worker.

Although more computations could be carried out, such examples as the above are rare. A typical situation would be as follows: there are hundreds of contractual collectives engaging in grain production in the north Caucasus: they plow, sow and cultivate crops. But when the time comes to cut them down -- the results of their efforts tend to dissolve in the overall flow of the harvest work. That's it! Here it is no longer a matter of computations, but rather the chief concern is to "snatch" the grain.

There is no basis for us saying something bad about the grain growers: during the busy harvest period, thousands of people spend days and nights in the field and each places a high value on the crops. However, there is just basis for discussing losses in crops already grown, losses which would not have occurred if the economic relationships between the grain growers and the land had been settled once and for all. And this system of relationships must be settled, since it involves the first and most important problem concerning the price of grain, its quality.

There are still two questions remaining. The first -- for the machine builders, since the losses caused by poor technical design for the harvesting equipment are high. Although a great deal has been written concerning the Niva, Kolos and Sibiryak machines, no action has been taken. The long-awaited Don machine has also failed to separate the grain from the chaff in a high quality manner on highly productive tracts. Today there is already an obvious need for firm technical servicing for the Don machines.

The stationary threshing technology could prove to be a fine aid in carrying out the harvest work. In the Kuban region, at the Kolkhoz imeni Kalinin in Kanevskiy Rayon, we became convinced with our own eyes: despite bad weather, the stationary method produced a yield which was 5.6-5.8 quintals per hectare higher than that obtained from controlled threshing with a combine. The two harvesting methods, combine and stationary -- it now seems clear -- must not be in opposition to one another. However, they are in actual practice. The stationary method has been under discussion for more than 1 year and still the



production of equipment for it has still not been organized, either on a mass basis or even experimental batches.

A question now for the grain procurement specialists and for USSR Goskomstandart. They themselves were witnesses: there was a heavy downpour of rain and the renowned Kuban, Don and Stavropol strong wheats lost their amber coloring and their so-called "glassiness." Could it be that following this the wheats contained less gluten? By no means! Excellent grain is obtained from such wheat. Why then should it be accepted as ordinary grain?

This year, taking into account the existing situation, USSR Goskomstandart authorized some deviations from the requirements imposed on the winter wheat grain of the 1986 harvest. And what is the situation with the spring wheat? It is believed that this problem should be resolved once and for all.

And the problem is not simply a matter of loss of the bonus for strength of the grain (although for a farmer loss of the bonus added on to the price indeed also has to do with repayment for the intensive field operations). Excellent bread grain is classified as ordinary grain and later is even being used in mixed feed. Is this wise?

The harvest raises problems and all of us are responsible for them.

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CSO: 1824/426

NEED TO REDUCE KAZAKH AGRICULTURAL PRODUCTION EXPENDITURES

Alma-Ata NARODNOYE KHOZYAYSTVO KAZAKHSTANA in Russian No 7, Jul 86 pp 55-59

/Article/ by L. Prodan, candidate of economic sciences and assistant professor at the Alma-Ata Institute of the National Economy and V. Radostovets, junior scientific worker at the Kazakh Scientific Research Institute of Economics and Agricultural Organization: "More Strict Accounting for Agricultural Production Expenditures"/

/Text/ The carrying out of the tasks assigned by the Food Program to workers attached to the agroindustrial complex of Kazakhstan requires a sharp increase in the responsibility of its members for raising the production volumes for agricultural products and lowering the production costs while improving quality at the same time.

The agricultural potential available at the present time is making it possible to increase considerably the return from the fields and farms. The logistical base that has been created is capable, assuming that it is used in a thrifty manner, of furnishing the country with considerably more food products than the republic has been delivering to the all-union food fund in recent years.

An analysis of the trend taking place in agricultural production between growth in the production costs for products and the sales prices for them, reveals a firm "advantage" for the former indicator compared to the latter, despite the fact that the purchase prices have been raised repeatedly. Such an analysis was carried out based upon complete data for the period from 1976 to 1984 (see Table 1).

A brief commentary on the table mentioned: compared to the purchase prices, the production costs for field crop husbandry products increased during the period under review from 14.7 to 23.1 percent (the purchase prices increased from 7.7 to 8.8 percent). The state now pays considerable amounts for livestock husbandry products (the purchase prices increased from 22.5 to 41.6 percent) and nevertheless the production costs for meat and wool increased from 19.2 to 26.7 percent. Milk production is more profitable.

Obviously, it cannot be stated that such a trend is typical of all agricultural enterprises. From year to year, the leading sovkhoses and kolkhozes are fulfilling and even over-fulfilling their plans for the production and purchasing of the principal types of products. At the same time, there are

TABLE 1

Production costs and Sales Prices for 1 Quintal of the Principal Types of Agricultural Products at Sovkhozses and Kolkhozes of Gosagroprom for the Kazakh SSR

Виды продукции (1)	(2) Среднегодовые данные							Процент опережения роста себестоимости против роста цен (+, -)	
	1976—1980 гг.		1981—1984 гг.		(5) Рост (+), снижение (-)		(8) к 1976—1980 гг.		
	себестоимость, (руб., коп.) (3)	реализационная цена (руб., коп.) (4)	себестоимость, (руб., коп.) (3)	реализационная цена (руб., коп.) (4)	(6) по себестоимости				
					(руб., коп.) (7)	в %			
									(9) по реализации (руб., коп.) (7)
Зерновые культуры (11)	7—12	12—06	9—05	13—05	+1—93	27,1	+0—99	8,2	+18,9
Картофель (12)	15—79	14—52	20—94	21—70	+5—15	32,6	+7—18	7,7	+14,7
Овощи (13)	15—58	14—55	20—69	15—94	+5—11	32,8	+1—39	9,7	+23,1
Молоко (14)	28—25	32—54	34—24	35—43	+5—99	21,2	+2—89	8,8	+12,4
Мясо крупного рогатого скота (15)	159—86	157—72	190—61	193—21	+30—75	19,2	+35—49	22,5	-3,3
Мясо свиней (16)	155—42	139—48	185—53	172—57	+30—11	19,3	+33—09	23,07	-4,4
Мясо овец и коз (17)	101—90	90—83	122—06	117—75	+20—16	19,7	+26—92	29,6	-9,9
Шерсть (18)	621—38	536—27	787—71	759—37	+266—33	26,7	+223—10	41,6	-14,9

## Key:

1. Types of products
2. Average annual data
3. Production cost (rubles, kopecks)
4. Sales price (rubles, kopecks)
5. Growth (+), reduction (-)
6. According to production cost
7. (rubles, kopecks)
8. Prior to 1976-1980
9. According to sales
10. Percentage to which growth in production costs exceeds growth in prices (+, -)
11. Grain crops
12. Potatoes
13. Vegetables
14. Milk
15. Meat of cattle
16. Meat of hogs
17. Meat of sheep and goats
18. Wool

156 farms (6.48 percent of the overall number of sovkhozes and kolkhozes) in the republic which are chronic debtors. During the 1976-1985 period, all of them taken together suffered losses in the amount of roughly 128 million rubles annually and each "dependent" cost the state an average of 820,500 rubles.

The reasons for these farm losses and low profitability of the branch are traditional: poor weather conditions, problems in price formation for the products, personnel shortages and so forth.

Certainly, these and other factors affect the indicators and have an influence on the production costs and production profitability. But the chief factor is failure to utilize internal reserves, which are available on all of the farms.

There are many ways for raising the efficiency of agricultural production and lowering production costs and it is impossible to discuss all of them in one article. Thus, we will examine only two questions, the solutions for which will promote to a greater degree a strengthening of the rural economy.

The first has to do with converting the production subunits of agricultural enterprises over to internal cost accounting, with use being made of collective contracts, and organizing operational control over the expenditures of these subunits through the check form of mutual accounts within the framework of a sovkhoz or kolkhoz.

Today the collective contract is acquiring a stronger hold within the republic's agroindustrial complex. For example, in Kokchetav Oblast the new method is being employed in field crop husbandry by 935 of 1,237 brigades and teams (or by 76.4 percent). Of 28,000 livestock breeders, approximately 6,000 are operating on the basis of collective contracts (20.6 percent) and these are attached to 800 production subunits.

The most convincing argument concerning the effectiveness of this form for organization and wages is a comparative analysis of the operational results of contractual collectives and conventional ones (see Table 2).

A similar picture is being observed in other oblasts of the republic. "Non-schedule operations" are making it possible to obtain higher yields and to lower production costs. This is borne out by a table which compares the operational results of a cost accounting collective against those of other subunits at the Sovkhoz imeni XX Partsyezda in Ulyanovskiy Rayon in Karaganda Oblast.

In a brigade headed by A. Lyubimenko, there are 23 individuals working, many of whom possess allied professions. This makes it possible to condense the time and to use the equipment more efficiently. Thus we will compare the operational results obtained by a contractual collective and by other brigades at the sovkhoz (see Table 3).

The brigade of A. Lyubimenko is a stable collective in which economic training has been organized. The brigade's council is competent in accounting for expenditures and cost accounting has become an efficient mechanism here and one which produces a specific return for conscientious work performed.

TABLE 2

Data on Work of Contractual Brigades and Usual Wage Collectives on Farms  
in Kokchetav Oblast  
(according to average annual results for the 11th Five-Year Plan)

Показатели (1)	В бригадах на коллек- тивном подразде (2)	В бригадах на обычной оплате труда (3)	Результат (+, -) (4)
Урожайность (ц/га) (5)			
зерновых культур (6)	9,4	8,2	+1,2
картофеля (7)	62,6	59,0	+3,6
силосных культур (8)	129,1	95,1	+34,0
Произведено продукции в расчете на одного (9)			
механизатора (руб.)	17022	11739	+5283
Производство продукции (10)			
на 100 га пашни (руб.)	5858	5819	+39
Выработка на один эталонный трактор (га) (11)	1213	951	+262

## Key:

- |                                  |  |
|----------------------------------|--|
| 1. Indicators                    | 8. Silage crops  |
| 2. In contractual brigades       | 9. Products produced per machine operator (rubles)             |
| 3. In usual wage brigades        | 10. Products produced per 100 hectares of arable land (rubles) |
| 4. Result (+, -)                 | 11. Output per standard tractor (hectares)                     |
| 5. Yields (quintals per hectare) |  |
| 6. Grain crops                   |  |
| 7. Potatoes                      |  |

Unfortunately, however, this is not the case in all areas. On a number of farms, the subunits are being converted over to "non-schedule operations" only on a formal basis and a form such as the family contract is being introduced into operations accompanied by special difficulties. Meanwhile, use of a family contract serves to make labor organization more efficient and it simplifies accounting, since the family is literally working for the "same kettle."

In the decree of the CPSU Central Committee and the USSR Council of Ministers entitled "Further Improvements in the Economic Mechanism for Management Within the Country's Agroindustrial Complex," the task has been assigned of rapidly converting all production subunits of agricultural enterprises over to the collective contract, to internal cost accounting procedures and to a twin-team system of administration.

In order to raise the interest of labor collectives in the thrifty consumption of resources, the plans call for bonuses to be issued to sovkhoz and kolkhoz workers for achieving economies in direct expenditures, as determined by the planned task, with the bonuses amounting to up to 70 percent of the total savings realized. In those instances where the expenditure limits are exceeded, the farms must make repayment for them using funds intended for wages and the issuing of bonuses.

In connection with the above arrangement, special importance is attached to correct planning and to reliably accounting for expenditures from the standpoint of the items of expense borne by each production subunit.

TABLE 3

Показатели (1)	План (2)	Факти- чески (3)	Выпол- нение плана в % (4)	Показа- тели по другим (5) бригадам хозяй- ства
Урожайность, возделываемых сельхозкуль- тур (ц/га) (6)				
пшеница (7)	8.5	10.7	126	5.6
ячмень (8)	8.5	12.7	149	7.2
овес (9)	7.0	12.0	171	7.0
семена многолетних трав (10)	1.5	1.6	106	1.9
сено многолетних трав (11)	8	12.7	159	10.5
Стоимость произведенной продукции в рас- чете на одного работника (руб.) (12)	15565	18321	118	12415
Себестоимость основных видов продукции (13)				
зерновых (руб., коп.) (14)	5—65	4—11	73	7—58
силосных (руб., коп.) (15)	0—91	0—51	56	1—72
сено, многолетних трав (руб., коп.) (16)	2—68	1—34	50	2—62
Расход материальных средств на 100 руб. произведенной продукции (руб.) (17)	66—36	61—92	95	108—92
Выработка эталонных га на 1 условный трак- тор (га) (18)	1032	1238	120	1017

Key:

- |                                  |   |
|----------------------------------|---|
| 1. Indicators                    | 11. Perennial grass hay                   |
| 2. Plan                          | 12. Cost of products produced per         |
| 3. Actual                        | worker (rubles)                           |
| 4. Fulfillment of plan, %        | 13. Production cost for principal types   |
| 5. Indicators for other brigades | of products                               |
| of the farm                      | 14. Grain crops (rubles, kopecks)         |
| 6. Yields for agricultural crops | 15. Silage crops (rubles, kopecks)        |
| grown (quintals per hectare)     | 16. Perennial grass hay (rubles, kopecks) |
| 7. Wheat                         | 17. Expenditure of material resources per |
| 8. Barley                        | 100 rubles worth of products produced     |
| 9. Oats                          | (rubles)                                  |
| 10. Perennial grass seed         | 18. Output of standard hectare per        |
|                                  | conventional tractor (hectares)           |

For example, an "approximate" computation of the expenditure limits assigned to them can deprive a collective of an earned bonus for having achieved an economy in funds or resources. And conversely, it can also result in the payment of an award for a non-existent savings. Such situations are being encountered rather often even on leading farms where the accounting procedures are well organized.

Internal cost accounting requires a qualitatively new level of economic work, constant improvements in the skills possessed by the planners and accurate and timely information on the status of affairs in the production subunits. Information on the expenditures for output production are still reaching the farm leaders no earlier than from the 10th through the 15th of the following month. And information on the production cost for a unit of product -- owing to the peculiarities of agricultural production -- is being defined more precisely only at the end of the fiscal year, since it is calculated at this time. In short, the existing methods for accounting and control preclude the possibility of efficient management of the process concerned with the formation of production costs.

Life has shown and cost accounting has proven the effectiveness of an accounting and control system that is based upon check mutual computations. We will show this using as an example the 40 Let Kazakhstan Kolkhoz in Iliyskiy Rayon in Alma-Ata Oblast. How is operational control over production expenditures with the aid of checks organized there?

The kolkhoz's planning-accounting service provides each subunit with an annual expenditure limit for the production of goods with a breakdown by months (from the standpoint of the established nomenclature for accounting objects -- crops, type and groups of animals and so forth -- and items of expenditures).

The expenditure limits are developed based upon technological charts, feeding rations for animals, norms for servicing the animals, other norms and, on the whole, based upon a farm's production-financial plan.

Brigade and team leaders are issued checkbooks in which such limits are indicated. For their part, the brigade and team leaders provide the farm's administration with checks for wages paid out, for seed, mineral fertilizers and chemicals expended during the month, for the amortization of fixed capital, for wear and tear of special clothing and implements and other mandatory withholdings and payments.

Checks are issued to the appropriate subunits in payment for work and services performed (machine-tractor pool, motor vehicle garage, horse exercise yard, repair workshop, electrical supply and water supply services, construction section and so forth).

If the quality of the work or service performed is low, then no payment is made until the work has been corrected or the defects removed. The expenses in these instances are borne by the guilty subunit. But if, for example, there is something that is impossible to correct, then the planning and accounting service of the farm prepares an account of the loss, the amount of which will be borne by that subunit which allowed the work problem to occur. The check system is also being extended to include products produced and consigned to warehouses.

The 40 Let Kazakhstan Kolkhoz was one of the first in the country to commence using this form of operational control over production expenses. As a result of the check system, the Zhanadaurskiy Dairy Complex of the farm raised its production profitability from 30 to 76.5 percent, feed consumption per quintal of milk was lowered by 0.27 quintals of feed units and the milk yield per forage cow exceeded 3,890 kilograms. Last year, the complex as a whole earned 367,000 rubles of above-plan profit.

The effectiveness of this form of mutual accounts is borne out by data on the field crop husbandry production costs at the sovkhozes Chernigovskiy and Molodaya Gvardiya of the Zerendinskiy Rayon Specialized Association (See Table 4).

The contractual form for organization and wages, combined with the check system of mutual accounts, represents a reliable means for lowering expenditures for the production of agricultural products and practically in all branches. Thus

TABLE 4

Field Crop Husbandry Production Costs on Farms in Kokchetav Oblast During 1984

Показатели (1)	Совхоз «Чернигов- (2)ский»	Совхоз «Молодая (3)зрелая»	Зерендин- ское (4)РСХО
План по себестоимости продукции (в тыс. руб.) (5)	2755.7	4000.1	1005.1
Фактически затрачено (тыс. руб.) (6)	2603.9	3195.8	872.3
Сумма экономии затрат (тыс. руб.) (7)	151.8	804.3	132.8
Снижение себестоимости (%) (8)	5.6	20.2	13.2

Key:

- |   |   |
|---|---|
| 1. Indicators   | 6. Actually expended (in thousands of rubles)               |
| 2. Chernigovskiy Sovkhoz                              | 7. Overall economy in expenditures (in thousands of rubles) |
| 3. Molodaya Gvardiya Sovkhoz                          | 8. Reduction in production cost (%)                         |
| 4. Zerendinskoye RSKhO                                |   |
| 5. Plan for production costs (in thousands of rubles) |   |

the sheep raising brigade of Ya. Ibragimov at the Sovkhoz imeni Munataypasov in Chimkent Oblast achieved a reduction of 1.4 percent in the production cost for an increase in the live weight of sheep, for wool -- a reduction of 7.8 percent and feed consumption declined by 13.9 percent.

Since the introduction of the check system, the vegetable growing brigade of Yu. Taychiyev at the Kolkhoz imeni Lenin in Sayramskiy Rayon in this same oblast increased its production of goods by 17.8 percent while simultaneously lowering the production costs by 14 percent. The economies realized in the use of mineral fertilizers, fuel and lubricating materials and other resources exceeded the plan by 15 percent.

Many such examples could be cited. Throughout the republic as a whole, operational control with the aid of checks is being carried out in 2,913 subunits (sections, brigades, farms). Of this number, 852 lowered their expenditures compared to the limits by 12,645,500 rubles during the first 6 months of 1985.

Nevertheless, it still cannot be stated that the new managerial methods are being employed extensively out on the republic's fields and farms. According to data supplied by the USSR TsSU /Central Statistical Administration/, on 1 September 1985 the check form of operational control was being employed throughout the country at approximately 7,000 agricultural enterprises and in Kazakhstan -- at 158 sovkhoses (7.6 percent) and 51 kolkhoses (12.9 percent). These figures are very small. For example, this form for controlling resource expenditures is not being employed by so much as one farm in Guryev, Dzhezkazgan, Kzyl-Orda or Mangyshlak oblasts. It is being introduced into operations only weakly in Aktyubinsk Oblast, where only two farms have commenced mastering the check system, Alma-Ata -- 3 farms, Dzhambul -- 2 farms, Taldy-Kurgan -- 2 farms and Uralsk Oblast -- 2 farms.

Antiquated methods are being employed by practically all of the sovkhoses which up until recently were subordinate to the republic's former Minplodoovoshchkhov /Ministry of the Fruit and Vegetable Industry/ and also by a majority of the podkhoses /subsidiary farms/ of industrial, construction and



other enterprises (in all, six podkhozoes have commenced converting over to true cost accounting operations).

Here importance is attached to the fact that the expenses for producing agricultural products are especially high in the agricultural departments of plants, enterprises and organizations. The cost for a kilogram of pork at some podkhozoes is several times more expensive even than the market price.

The problem of introducing new forms of management affects many sovkhoses, kolkhoses, podkhozoes and inter-farm enterprises. It is believed that in the absence of active assistance on the part of the republic's Gosagroprom and its oblast and rayon organs, difficulties will be encountered in attempting to solve this problem. In particular, Gosagroprom has still not defined the base farms in a number of oblasts in which accounting and planning are well organized. In those areas where this has been done (for example, in Kustanay Oblast), the experience of such base farms is providing the basis for seminars on the introduction of internal cost accounting, the collective contract and the check system of mutual accounts. But quite often such important work is carried out on an "independent" basis, since the sovkhoses and kolkhoses do not have specific methodological recommendations at their disposal which take into account the peculiarities of the zones and the management of a particular branch.

In behalf of the work, each service of a sovkhos or kolkhos and each cost accounting subunit must have at hand examples of the cost accounting documents and registers, checkbooks and variants for the limit and expenditure accounts. KazNIIIEOSKh has developed some methods and prepared specific recommendations in this regard. But it is simply impossible for one institute to make them available to each agricultural enterprise, let alone introduce them into operations.

There is still one other aspect of the problem: the training of agricultural specialists in the republic's VUZ's.

A majority of yesterday's graduates possess an extremely vague understanding of cost accounting procedures, their implementation by stages and their potential for strengthening an economy and raising production profitability. And for tomorrow's leaders of subunits and farms, the check system of mutual accounts and control is a white spot on an economic chart. Even during courses devoted to raising the skills of accounting workers attached to the KAZAKH SSR TsSU, no exercises are being conducted on the theme "The Check Form of Operational Control", appropriate training plans and programs have not been developed and there are no training-methodological materials. This situation must be corrected on an urgent basis and old personnel training methods must finally be eliminated from the auditoriums of educational institutes in the rural areas.

A review must also be undertaken of the training plans and programs of agricultural and economic VUZ's, so as to ensure that the future economists, engineers, agronomists and zootechnicians possess a good knowledge of the methods to be employed for introducing progressive forms of management into operations and are aware of the value of the resources allocated by the state for developing the agrarian sector of the national economic complex.

The task of introducing internal cost accounting, together with the collective contract and the check form of operational control, into operations on an extensive scale in all production subunits can be carried out not by means of simple addition but rather by multiplying the strengths of all agroprom elements. The solving of this task will ensure realization of the plans and tasks assigned by the party to the republic's rural workers -- to increase considerably the contribution towards the country's food balance.

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## AGRO-ECONOMICS AND ORGANIZATION

### BELORUSSIAN VEGETABLE SUPPLY, TRANSPORT PROBLEMS NOTED

LD112338 [Editorial Report] Moscow Domestic Service in Russian at 1600 GMT on 11 July carries a 14-minute program entitled: "27th CPSU Congress: Problems of Acceleration."

(Tatyana Malmyga) reports on the way that Belorussia is fulfilling the decisions of the June plenum in regard to stepping up agroindustrial output and improving transport and storage facilities for food produce. Interviewed at a street vegetable stand in Minsk, a shopper says that the selection there is better than last year, but the market provides better quality and choice.

The correspondent then moves to a Minsk oblast vegetable-growing state farm, where an agronomist complains of the lack of transport facilities to get the fresh crop into Minsk, so that much of the crop goes to feed the animals. The farm has no processing facilities and inadequate storage facilities. There are storage facilities for only 45 percent of the vegetable crop in the republic, (Malmyga) notes. (Nikolay Mikhaylovich Rybak), deputy chairman of Belorussian Gosagroprom, says that a considerable amount has been done in the republic to improve supplies of fruit and vegetables and early potatoes to the population: Production is up on specialized farms, and the increase is due chiefly to intensive methods. Whereas in previous years vegetable yields did not exceed 150 quintals per hectare, in 1984-1985 the vegetable yield increased to 220-230 quintals, and more variety is being offered.

However, (Rybak) says that supplies still leave a lot to be desired. Intensive cultivation methods are being given priority, and measures are being taken to improve the storage facilities and the trading network. By the end of the 5-year period production of vegetables is to be up to 930,000 metric tons, and the per capita consumption is to be brought up to 124 kg. Production and consumption of fruits and berries is to be brought up to 670,000 metric tons, and per capita consumption up to 80 kg, which already approaches the scientifically-based norms. Whereas it was previously planned to build in the 12th 5-year period storage facilities for 250,000 metric tons, the firm decision has been taken to build facilities for no less than 550,000 metric tons. A complex of measures is being implemented in the republic to increase capacities for processing, with R239,000 of capital investment. Fifty percent of this sum will be directed to technical reequipment and reconstruction of existing enterprises: As a result, capacities for processing fruit and vegetable conserves will be increased by 106 million standard cans. Potato processing enterprises will be expanded, and fast-freezing processing facilities will also be further developed. Fast-freezing conveyor lines will be established for potato produce

in every oblast at fruit and vegetable bases and at the Minsk fruit and vegetable combines. With regard to transport, efforts are being made to organize all-year-round deliveries to towns, using the transport facilities of the trading organizations themselves. In the long-term, every RAPO [Rayon Agricultural Production Association] should have its own processing enterprise, Rybak addresses a plea to the USSR Gosagroprom to lend assistance in resolving the problem of providing sufficient vegetable storage facilities, by facilitating the supply of the increased construction materials required: The current plan does not take account of the increase in the amount of facilities now projected.

Rybak comments that RAPO managers are not restructuring their methods rapidly and thoroughly enough to take account of the new demands, and he says: "It must be admitted, in a spirit of self-criticism, that the fault lies with us as well, for we have not yet fully restructured our own work insistently," so as to give guidance in restructuring work in oblast agroindustrial committees and in rayon agroindustrial associations. Lack of the necessary building materials and equipment, and, often, a lack of resourcefulness amongst managers of RAPO and oblast agroindustrial committees, mean that construction and reconstruction of storage facilities and processing plants is being delayed until the end of the 5-year plan or the mid-5-year plan.

The announcer adds: "As you see, the Belorussian agroindustrial committee has great plans: But realization of them is proceeding pretty slowly. Of course, plans should be backed up by material resources--construction materials, metal, equipment--but the republic agroprom staff themselves must find possibilities for the most possible commissioning of new vegetable storage facilities and capacities for processing fruit and vegetable produce."

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## AGRO-ECONOMICS AND ORGANIZATION

### EXPANSION OF LITHUANIAN PRIVATE LIVESTOCK RAISING ADVANCED

Vilnius SOVETSKAYA LITVA in Russian 19 Jul 86 p 2

/Article by G. Konoplev, 1st deputy chairman of Gosagroprom for the Lithuanian SSR: "Developing the Private Economy of Rural Residents"/

/Excerpts/ During the 12th Five-Year Plan, meat production on all categories of farms throughout the republic must be increased by not less than 20 percent, milk -- by 8-9 and eggs -- by 4 percent. These tasks can be carried out only by concentrating resources in the more important areas and skillfully utilizing the advantages offered by the new mechanism for management and administrative structure. Maximum use must be made of the potential of public farming and the private economy of the population must be developed in a manner so as to ensure that as many livestock products as possible are sold to the state

Fine results were realized in Varenskiy, Kaunasskiy, Alituskiy and Prenayskiy rayons in developing the production of meat on public farms and on the private plots of the population. In 1985, the public farms in these rayons produced 172-208 quintals of meat for every 100 hectares of agricultural land and, in addition, 54-77 quintals of livestock and poultry were purchased from the population on the basis of contracts. However, in some other rayons -- Zarasayskiy, Akmyanskiy, Radvilishkiy, Ukmergskiy and Anikshchyayskiy -- the production level for meat last year, both on public farms and the private plots of citizens, was low.

Insufficient attention is being given to developing the private plots of the population in Ionavskiy, Pakruoyskiy and Akmyanskiy rayons. Here, on the basis of contracts with the farms, the rural residents sold only 28-31 quintals of livestock (live weight) to the state per 100 hectares of agricultural land.

Some concern was aroused over livestock purchases from the population during the 6 months of this current year. During the 6 month period, the population supplied the state with 9,500 fewer tons (13 percent) of livestock and poultry than was the case for this same period last year. Livestock purchases in Vilkavishkiy, Anikshchyayskiy, Birzhayskiy and Trakayskiy rayons declined by 29-30 percent.

The tasks advanced by the Food Program for meat production require that fixed attention be given to developing the private plots of the population. In the future, the production of meat and other agricultural products on the private

plots of kolkhoz members and sovkhos workers will be encouraged. Thus a new system has been established for purchasing livestock from the population. Commencing with the second half of this current year, the livestock and poultry raised on the private plots of citizens on a contractual basis will be purchased by consumer cooperative organizations through kolkhozes and sovkhos and the meat will be sold at cooperative trade prices mainly for satisfying the needs of the local population of cities and rayon centers.

Kolkhozes, sovkhos and other state farms, when concluding contracts with the population, are guided by the system established earlier. The kolkhozes, sovkhos and other agricultural enterprises purchase the livestock and turn them over to meat combines. The purchasing of livestock from the population is carried out based upon the same purchase prices which have prevailed up until this time. Livestock purchased from the population by consumer cooperatives is counted towards fulfillment of the state plan for these farms for the sale of livestock and poultry to the state.

Consumer cooperative organizations settle accounts with the farms for livestock contractually purchased from the population in accordance with state purchase prices, simultaneously paying the kolkhozes and sovkhos for those expenses associated with organizing the private plots of the citizens and also for the livestock purchases.

In the future, the kolkhozes and sovkhos will furnish the rural residents with the necessary assistance in developing the private economy. They must create the conditions required for ensuring that the population is able to procure the seed and equipment needed for tilling the tracts and harvesting the crops.

And in the future a reduction will take place in the number of people working on the private plots and the level of difficulty of their labor will be eased. In this regard, more and more private plot land of the population is being included in the overall areas being worked by farms and this is creating the conditions required for raising labor productivity and for obtaining high yields. This method must be employed more extensively in the cultivation of root crops and potatoes.

Pasture areas are being made available for the livestock of kolkhoz members, workers assigned to sovkhos and other state farms, office workers and pensioners. The majority of these areas are cultivated tracts. The farms are responsible for tending and cultivating them. The quality of the natural pastures is improving, with soil improvement and grass sowing work being carried out annually. At the same time, the public farms must furnish assistance to elderly kolkhoz members in procuring feed for their animals.

Each year the republic's kolkhozes and sovkhos sell young swine and poultry stock to the population. Over the course of the next 2 years, the population's requirements with regard to procuring young stock will be satisfied completely.

In the future, improvements must be carried out in the breeding qualities of the livestock being maintained by the population. The rayon agroindustrial associations, jointly with the consumer cooperative organizations, must organize

continuous support for the population in the form of mixed feeds. For each kilogram of milk sold, an individual must purchase 0.1 kilograms of mixed feed, pork in live weight -- 1.5 and rabbit in live weight -- 5 kilograms of mixed feed

In connection with increasing the purchases and raising the quality of livestock products, great importance is attached to strengthening the logistical base of the procurement points. For a period of 2 years, the plans call for all of the livestock raised to be purchased directly on the farms and to be shipped by means of transport provided by the meat combines.

Every attempt should be made to ensure that the livestock raised by the population is sold at a good weight (430-450 kilograms). However, at times it is difficult to achieve this, especially for people of pension age. Livestock should be purchased from such individuals for subsequent maturing on public farms. The family contract should also be introduced into operations on a more extensive scale.

The new system for purchasing livestock must encourage the further development of the private economy of rural residents. This task is of state importance. Those leaders are wrong who believe that the limit has been reached in development of the private sector. The majority of the republic's farmers combine in a fine manner the work they perform in public production with the interests of their private plots. True, we are still encountering instances of excessively large private plots being created, plots for which it is difficult to obtain adequate quantities of feed and on which the personnel lack the time required for tending their animals. This results in the plundering of public feed, the livestock are fed grain and other food products and the personnel strive to avoid public labor. A campaign is constantly being waged against such phenomena, which are always condemned. The number of livestock that can be maintained by the population is regulated by appropriate governmental decrees and the Kolkhoz Regulations. The income realized from the raising and selling of livestock from private plots is considered to be work income if it was achieved by means of honest labor and the feed was procured legally.

Many opportunities exist within the republic for developing the private plots of rural residents. At the present time, 91,000 families of kolkhoz members, sovkhoz workers and office workers do not have cows and 136,000 families are not maintaining hogs.

The private plots of citizens, being a part of socialist agricultural production, rely upon the kolkhozes and sovkhozes for assistance. The kolkhozes and sovkhozes must satisfy to a better degree the requirements of the rural residents for meat and other food products, with the surplus products being sold through the cooperative trade. In connection with livestock purchases through consumer cooperative organizations, an expansion is taking place in the production of smoked, semi-smoked and other delicatessen meat products and in the trade in these products at cooperative prices.

The republic's farmers, in decisively transforming their work in conformity with the requirements of the times, will achieve new improvements in agriculture and ensure unconditional fulfillment of the tasks of the 12th Five-Year Plan.

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